

CenterPoint Energy
Energy Efficiency Program Portfolio
Annual Report
2010



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Contents

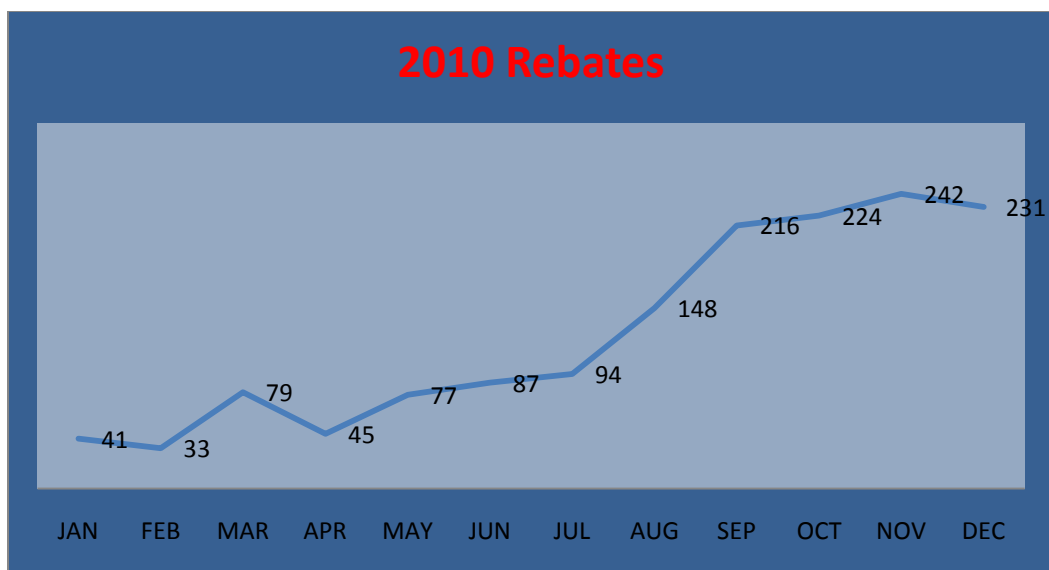
Executive Summary	3
Portfolio Impact	6
Portfolio Programs	7
EM&V	30
Supplemental Requirements	31
Appendix.....	38

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Executive Summary

CenterPoint Arkansas filed its proposed comprehensive portfolio of energy efficiency programs on July 1, 2009. This portfolio included elements of the Quick Start Phase (the CenterPoint Energy Efficiency Program, Arkansas Weatherization Program, Commercial Natural Gas Energy Audit Program, and Energy Efficiency Arkansas) and new rebate programs (the Water Heating Conservation Improvement Program (“CIP”), Space Heating CIP, Low Flow Showerhead and Faucet Aerator CIP, Commercial Boiler CIP, and Food Service CIP). CenterPoint Arkansas received Commission approval of its comprehensive portfolio February 3, 2010 and began implementing the programs immediately.

CenterPoint Arkansas took its first step in implementation by hiring a CIP implementation manager to begin running the newly approved programs. Soon after the on-boarding of this manager, he began to develop and hire his team of 2 energy efficiency consultants and one energy efficiency coordinator. In the midst of building a successful team, CenterPoint Arkansas began creating promotional material (collateral material, rebate forms, print, radio, and television media) to drive participation in the programs. As depicted in the chart below, our participation numbers began climbing dramatically in July, which coincided with the launch of our comprehensive media campaign.



On June 16, 2010, the CIP team delivered its first rebate in the amount of \$8,000 to Southern Arkansas University in Magnolia for the installation of two high efficient boilers. This installation is estimated to save the university approximately \$30,000 annually in operating costs.

Since this time, the programs garnered over 24,000 participants and produced over 880,000 therms in annual savings, which represents nearly \$3 million in net benefits to the ratepayers of

Arkansas. Additionally, the CIP team has been calling on trade allies, and, to date, they have signed up over 235 builders, plumbers, HVAC contractors, food service vendors, and agencies.

A good example of the program's success would be when the CIP team met with the Arkansas Department of Human Services to discuss all of the energy efficiency programs. At this meeting, CenterPoint Arkansas was asked to provide a flier for the Low Flow Showerhead and Faucet Aerator CIP for their employee fair. Much to our surprise, this program went viral, and within a few days the program was over-subscribed and had to be shut-down for the remainder of the program year.

Despite the short period of time that the CIP team has been active, the programs have been very successful. That being said, the team identified some areas that need improvement, such as builder participation. We believe that this should be an important part of our program plans because when a new house is built with less efficient equipment, then there is no opportunity to address that issue for years. To combat this issue, the Marketing Consultants and the CIP team will work together to develop a "value proposition" for builders to use to encourage them to spend the extra dollars to address energy efficiency on the front-end.

Another issue looming is the impending expiration of tax credits for tankless water heaters and 95% efficient furnaces. To combat this issue, CenterPoint Arkansas has proposed in its recent filing to increase the rebate levels for these programs. We feel this increase in rebate amounts will continue the early success of the programs.

Additionally, CenterPoint Arkansas has proposed to eliminate the CenterPoint Energy Education Program (CEEP) as a program offering but will keep the materials available online for customers to reference. To improve the fledgling Commercial Natural Gas Energy Audit program, we developed this program into a more comprehensive solutions program that will offer custom rebate and direct install options to small commercial (SCS) and large commercial (LCS) customers. All of these changes can be reviewed in the new program filing recently made in Docket No 07-081-TF.

CenterPoint Arkansas views energy efficiency as a new program offering to its customers that is second only to the safe, reliable delivery of natural gas. CenterPoint's inaugural comprehensive program year has been very successful, and the CIP team looks forward to even greater success in the years to come.

CenterPoint Energy 08-058-RP EE Portfolio Summary by Program						
Program Name	Program Number	Program Type	Market	2010		% Of Funds Used
				Budget (\$)	Actual (\$)	
CenterPoint Energy Education Program - Res	1	Public Education	Res (All)	189,154	123,620	65.35%
CenterPoint Energy Education Program - SCS	2	Public Education	Small C&I (All)	7,050	4,607	65.35%
Commercial Natural Gas Energy Audit	3	Energy Audit or Evaluation	Small C&I (All)	220,824	42,406	19.20%
Energy Efficiency Arkansas - Res	4	Public Education	Res (All)	35,849	34,474	96.16%
Energy Efficiency Arkansas - SCS	5	Public Education	Small C&I (All)	49,201	47,314	96.16%
Energy Efficiency Arkansas - LCS	6	Public Education	Large C&I (All)	25,337	24,365	96.16%
Arkansas Weatherization Program	7	Weatherization	Res (All)	265,752	475,117	178.78%
Water Heating CIP - Res	8	Rebates- Point of Sale or Ma	Res (All)	444,611	238,065	53.54%
Water Heating CIP - SCS	9	Rebates- Point of Sale or Ma	Small C&I (All)	54,653	7,686	14.06%
Space Heating CIP - Res	10	Rebates- Point of Sale or Ma	Res (All)	624,833	402,548	64.42%
Space Heating CIP - SCS	11	Rebates- Point of Sale or Ma	Small C&I (All)	76,806	134,726	175.41%
Low Flow Showerhead & Faucet Aerator CIP	12	Rebates- Point of Sale or Ma	Res (All)	181,404	114,947	63.37%
Commercial Boiler CIP - SCS	13	Rebates- Point of Sale or Ma	Small C&I (All)	186,777	80,610	43.16%
Commercial Boiler CIP - LCS	14	Rebates- Point of Sale or Ma	Large C&I (All)	193,297	254,175	131.49%
Commercial Food Service - SCS	15	Rebates- Point of Sale or Ma	Small C&I (All)	264,649	121,129	45.77%
Commercial Food Service - LCS	16	Rebates- Point of Sale or Ma	Large C&I (All)	29,405	0	0.00%
Total				2,849,602	2,105,789	73.90%

EE Portfolio Summary by Cost Type				
EE Program Cost Summary		2010 Total Cost		
Type		%	Budget (\$)	Actual (\$)
Planning / Design		0%	0	30,710
Marketing & Delivery		47%	1,330,691	1,168,803
Incentives / Rebates		41%	1,161,375	777,753
Evaluation, Measurement, and Verification		2%	60,000	19,832
Regulatory		0%	0	85,050
Administration		10%	297,536	108,692
Total		100%	2,849,602	2,190,839

Company Statistics												
Program Year	Revenue and Expense						Energy					
	Budgeted			Actuals			Budgeted			Actuals		
	(\$000's)		% of EE Spending to Revenue	(\$000's)		% of EE Spending to Revenue	Therms		Savings as % of Energy Sales	Therms		
	Total Revenue	EE Program Spending		Total Revenue	EE Program Spending		Total Annual Energy Sales	EE Annualized Energy* Savings		Total Annual Energy Sales	EE Annualized Energy* Savings	
2008		\$ 1,244	-	\$ 574,042	\$ 788	0.1%			-	631,750,817	86,072	0.0%
2009		\$ 1,016	-	\$ 519,474	\$ 738	0.1%			-	601,221,775	104,293	0.0%
2010	\$ 471,049	\$ 2,850	0.6%	\$ 464,288	\$ 2,191	0.5%	589,162,040	1,004,873	0.2%	640,964,296	880,666	0.1%
2011			-			-			-			-
2012			-			-			-			-
2013			-			-			-			-
2014			-			-			-			-
2015			-			-			-			-

*Annualized Energy - this is the annualized energy savings derived from the lifetime savings.

NOTE: This schedule should report program year data, when available. For budgeted data, report when filed. This schedule should not report forecasted data.

Portfolio Impact

BUDGET	2008				2009				2010				2011
	% Of Prior Year	Budget (\$)	Actual (\$)	% Of Goal	% Of Prior Year	Budget (\$)	Actual (\$)	% Of Goal	% Of Prior Year	Budget (\$)	Actual (\$)	% Of Goal	Budget (\$)
Program													
CenterPoint Energy Education Program - Res	-	0	40,982	-	-	41,193	25,233	61%	459%	189,154	123,620	65%	0
CenterPoint Energy Education Program - SCS	-	0	9,824	-	-	14,607	16,891	116%	48%	7,050	4,607	65%	0
Commercial Natural Gas Energy Audit	-	0	27,372	-	-	162,000	127,159	78%	136%	220,824	42,406	19%	0
Energy Efficiency Arkansas - Res	-	0	218,275	-	-	194,512	113,309	58%	18%	35,849	34,474	96%	0
Energy Efficiency Arkansas - SCS	-	0	52,322	-	-	68,972	75,851	110%	71%	49,201	47,314	96%	0
Energy Efficiency Arkansas - LCS	-	0	6,291	-	-	12,582	50,192	399%	201%	25,337	24,365	96%	0
Arkansas Weatherization Program	-	0	239,342	-	-	456,862	189,953	42%	58%	265,752	475,117	179%	0
Water Heating CIP - Res	-	0	0	-	-	0	0	-	-	444,611	238,065	54%	0
Water Heating CIP - SCS	-	0	0	-	-	0	0	-	-	54,653	7,686	14%	0
Space Heating CIP - Res	-	0	0	-	-	0	0	-	-	624,833	402,548	64%	0
Space Heating CIP - SCS	-	0	0	-	-	0	0	-	-	76,806	134,726	175%	0
Low Flow Showerhead & Faucet Aerator CIP	-	0	0	-	-	0	0	-	-	181,404	114,947	63%	0
Commercial Boiler CIP - SCS	-	0	0	-	-	0	0	-	-	186,777	80,610	43%	0
Commercial Boiler CIP - LCS	-	0	0	-	-	0	0	-	-	193,297	254,175	131%	0
Commercial Food Service - SCS	-	0	0	-	-	0	0	-	-	264,649	121,129	46%	0
Commercial Food Service - LCS	-	0	0	-	-	0	0	-	-	29,405	0	0%	0
Total	-	0	594,408	-	-	950,728	598,588	63%	300%	2,849,602	2,105,789	74%	0

ENERGY Therms	2008				2009				2010				2011
	Lifetime Energy Savings				Lifetime Energy Savings				Lifetime Energy Savings				Goal
Program	% Of Prior Year	Budget	Actual	% Of Goal	% Of Prior Year	Budget	Actual	% Of Goal	% Of Prior Year	Budget	Actual	% Of Goal	Therms
CenterPoint Energy Education Program - Res	-	0	0	-	-	0	0	-	-	N/A	N/A	-	N/A
CenterPoint Energy Education Program - SCS	-	0	0	-	-	0	0	-	-	N/A	N/A	-	N/A
Commercial Natural Gas Energy Audit	-	0	0	-	-	0	0	-	-	N/A	N/A	-	N/A
Energy Efficiency Arkansas - Res	-	0	0	-	-	0	0	-	-	N/A	N/A	-	N/A
Energy Efficiency Arkansas - SCS	-	0	0	-	-	0	0	-	-	N/A	N/A	-	N/A
Energy Efficiency Arkansas - LCS	-	0	0	-	-	0	0	-	-	N/A	N/A	-	N/A
Arkansas Weatherization Program	-	0	1,721,447	-	-	0	2,085,866	-	-	0	4,137,401	-	0
Water Heating CIP - Res	-	0	0	-	-	0	0	-	-	668,706	373,426	56%	734,623
Water Heating CIP - SCS	-	0	0	-	-	0	0	-	-	82,199	1,600	2%	90,302
Space Heating CIP - Res	-	0	0	-	-	0	0	-	-	3,246,795	2,009,504	62%	2,951,850
Space Heating CIP - SCS	-	0	0	-	-	0	0	-	-	399,105	310,694	78%	362,850
Low Flow Showerhead & Faucet Aerator CIP	-	0	0	-	-	0	0	-	-	809,600	651,878	81%	809,600
Commercial Boiler CIP - SCS	-	0	0	-	-	0	0	-	-	171,300	339,759	198%	228,324
Commercial Boiler CIP - LCS	-	0	0	-	-	0	0	-	-	177,280	759,354	428%	236,295
Commercial Food Service - SCS	-	0	0	-	-	0	0	-	-	237,894	3,901,725	1640%	292,219
Commercial Food Service - LCS	-	0	0	-	-	0	0	-	-	26,433	0	0%	32,469
Total	-	0	1,721,447	-	-	0	2,085,866	-	-	5,792,879	12,485,342	216%	5,706,063

DEMAND Therms*Yrs	2008				2009				2010				2011
	Lifetime Demand Savings				Lifetime Demand Savings				Lifetime Demand Savings				Goal
Program	% Of Prior Year	Budget	Actual	% Of Goal	% Of Prior Year	Budget	Actual	% Of Goal	% Of Prior Year	Budget	Actual	% Of Goal	Therms*Yrs
CenterPoint Energy Education Program - Res	-	0.00	0.00	-	-	0.00	0.00	-	-	N/A	N/A	-	N/A
CenterPoint Energy Education Program - SCS	-	0.00	0.00	-	-	0.00	0.00	-	-	N/A	N/A	-	N/A
Commercial Natural Gas Energy Audit	-	0.00	0.00	-	-	0.00	0.00	-	-	N/A	N/A	-	N/A
Energy Efficiency Arkansas - Res	-	0.00	0.00	-	-	0.00	0.00	-	-	N/A	N/A	-	N/A
Energy Efficiency Arkansas - SCS	-	0.00	0.00	-	-	0.00	0.00	-	-	N/A	N/A	-	0.00
Energy Efficiency Arkansas - LCS	-	0.00	0.00	-	-	0.00	0.00	-	-	N/A	N/A	-	0.00
Arkansas Weatherization Program	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	64,573.27	-	0.00
Water Heating CIP - Res	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	1,079.22	-	0.00
Water Heating CIP - SCS	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	5.14	-	0.00
Space Heating CIP - Res	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	70,563.02	-	0.00
Space Heating CIP - SCS	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	0.00	-	0.00
Low Flow Showerhead & Faucet Aerator CIP	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	688.40	-	0.00
Commercial Boiler CIP - SCS	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	0.00	-	0.00
Commercial Boiler CIP - LCS	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	0.00	-	0.00
Commercial Food Service - SCS	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	0.00	-	0.00
Commercial Food Service - LCS	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	0.00	-	0.00
Total	-	0.00	0.00	-	-	0.00	0.00	-	-	0.00	136,909.05	-	0.00

Portfolio Programs

3.1 CenterPoint Energy Education Program

3.1.1 Program Description.

The CenterPoint Energy Education Program (CEEP) provides participating residential and small commercial customers with educational materials that help them understand their natural gas energy usage and learn about ways to help conserve that energy. The educational materials for residential customers include fact sheets on energy savings tips; caulking and weather stripping; how a residential furnace and water heater operate; and a booklet entitled “More Comfort, Less Energy” which gives an overview of several energy savings ideas for a homeowner. The educational materials for small commercial customers include a “Low Cost, No Cost” guide to a facility’s energy usage and ways to conserve that energy.

3.1.2 Program Highlights.

- There were more than 5,000 requests for education material either online or through response to a bill stuffer.
- Hundreds of program booklets were distributed to lower income customers through LIHEAP events or community action agencies.
- CenterPoint sent two bill stuffers to Arkansas commercial and residential customers offering free energy efficiency publications to customers. There were 1,395 residential customers’ requests and 52 commercial requests.
- There were more than 3,600 web views of efficiency materials.

3.1.3 Program Budget, Savings & Participants.

The program budget for the CEEP program is separated among residential and small commercial customers. There are no direct, quantifiable energy savings for this program.

CenterPoint Energy Education Program - Res													
2008			Budgeted Savings		Actual Savings		% Of Goal		2008				
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal	
\$0	\$40,982	-	0.00	0	0.00	0	-	-	0	2,791	0	-	
2009			Budgeted Savings		Actual Savings		% Of Goal		2009				
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal	
\$41,193	\$25,233	61%	0.00	0	0.00	0	-	-	0	4,313	0	-	
2010			Budgeted Savings		Actual Savings		% Of Goal		2010				
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal	
\$189,154	\$123,620	65%	N/A	N/A	N/A	N/A	-	-	N/A	4,937	0	-	
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010				
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal	
\$76,782	\$63,278	82%	0.00	0	0.00	0	-	-	0	4,014	0	-	
*Lifetime Savings													
CenterPoint Energy Education Program - SCS													
2008			Budgeted Savings		Actual Savings		% Of Goal		2008				
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal	
\$0	\$9,824	-	0.00	0	0.00	0	-	-	0	94	0	-	
2009			Budgeted Savings		Actual Savings		% Of Goal		2009				
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal	
\$14,607	\$16,891	116%	0.00	0	0.00	0	-	-	0	144	0	-	
2010			Budgeted Savings		Actual Savings		% Of Goal		2010				
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal	
\$7,050	\$4,607	65%	N/A	N/A	N/A	N/A	-	-	N/A	184	0	-	
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010				
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal	
\$7,219	\$10,441	145%	0.00	0	0.00	0	-	-	0	141	0	-	
*Lifetime Savings													

3.1.4 Program Events & Training.

- More than 300 of CenterPoint's "More Comfort, Less Energy" booklets were distributed at a central Arkansas Low Income Home Energy Assistance Program (LIHEAP) event.
- The Central Arkansas Development Council requested more than 200 booklets to distribute to clients.
- CenterPoint Energy distributed numerous energy efficiency materials at the University of Arkansas at Little Rock's Sustainability Fair, the Delta Green Conference, and Home Shows in Little Rock, Conway and Jonesboro.

3.1.5 Savings.

There are no direct, quantifiable energy savings for this program.

3.1.6 Challenges & Opportunities.

Challenges include the need for constant marketing of energy educational materials and information to educate the consumer and create a demand for energy saving information and action. While the response from the residential sector was strong, the commercial sector was harder to reach. The lower bill stuffer response from small commercial customers could potentially be due to bill stuffers reaching the accounts payable department, rather than a decision maker regarding energy in many instances.

Opportunities include continued use of the website as a cost effective medium for disseminating efficiency materials. Most of the program participation was on the web, which will continue to be relied upon as an important medium.

3.1.7 Outlook for Continuation, Expansion, Reduction or Termination.

While CenterPoint Arkansas believes this program has been successful since its inception in the Quick Start phase, with the addition of the Residential Home Solutions Program and continued participation in the EEA, we decided to remove this program from our July 2011-2013 Portfolio. The energy efficiency information provided by this program will remain available via our website, which will refer customers to the statewide education program if they desire hard copies of the materials. This change is reflected in our July 2011-2013 Portfolio filing in Docket No. 07-081-TF.

3.1.8 Planned or Proposed Changes to Program & Budget.

As noted above, this program has been removed from the July 2011-2013 Portfolio.

3.2 Commercial Natural Gas Energy Audit Program

3.2.1 Program Description.

The Commercial Natural Gas Energy Audit (CNGEA) Program offers an energy efficiency audit for the commercial (SCS) customers of CenterPoint Arkansas and targets specific processes and end-use natural

gas equipment. The CNGEA Program assesses aging and inefficient equipment and processes currently used by commercial customers and identifies energy savings associated with replacing or upgrading the equipment with more energy efficient equipment and processes. The audit evaluates natural gas space heating equipment, natural gas water heaters, natural gas foodservice equipment, make-up air equipment, and building envelope opportunities.

3.2.2 Program Highlights.

- The CNGEA had 16 audits requested and performed in 2010.
- CenterPoint Arkansas mailed approximately 1,500 letters to high natural gas usage customers urging them to participate in the program. CenterPoint Arkansas also promoted the program to relevant organizations such as the Arkansas School Plant Managers Association, several state government agencies, and engineering firms.
- The audits resulted in more than 40 energy savings measures proposed to CenterPoint Arkansas customers, totaling a potential savings of more than 85,000 therms.
- A survey of participating customers found that the majority of energy saving measures recommended in the audit are not planned for implementation due to financial reasons.
- A customer satisfaction survey found that participating customers were satisfied with their audit experience. With 10 being the highest possible grade, the lowest response was an 8 out of 10 and the average rating was 9.

3.2.3 Program Budget, Savings & Participants.

The program budget for the CNGEA program is below. There are no direct energy savings for this program.

Commercial Natural Gas Energy Audit												
2008			Budgeted Savings		Actual Savings		% Of Goal		2008			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$27,372	-	0.00	0	0.00	0	-	-	0	52	0	-
2009			Budgeted Savings		Actual Savings		% Of Goal		2009			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$162,000	\$127,159	78%	0.00	0	0.00	0	-	-	0	67	0	-
2010			Budgeted Savings		Actual Savings		% Of Goal		2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$220,824	\$42,406	19%	N/A	N/A	N/A	N/A	-	-	70	16	0	23%
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$127,608	\$65,646	51%	0.00	0	0.00	0	-	-	23	45	0	193%
*Lifetime Savings												

3.2.4 Program Events & Training.

- CenterPoint Arkansas trained all of its regional offices in the efficiency programs, including the CNGEA program. Some of the regional offices referred customers to the audit program.
- CenterPoint Arkansas promoted the audit program to the restaurant industry at the Arkansas Hospitality Association and the Sysco Food Show.

3.2.5 Savings.

There are no direct, quantifiable energy savings for this program

3.2.6 Challenges & Opportunities.

The challenges associated with the CNGEA program are the \$200 co-pay, which limited participation in the program, and the low implementation rate of recommended energy saving measures. In a follow up survey of customers to see if any of the recommended measures would be implemented, less than 1% of energy savings recommended are expected to occur.

In order to address these challenges, CenterPoint has proposed transforming the energy audit program into a custom energy program that combines energy audits with financial incentives for implementing gas saving measures. More than 50% of survey respondents cited a financial reason for not implementing a recommended energy saving measure. A

free audit that can also provide financial incentives for proposed projects will help address both of these challenges.

3.2.7 Outlook for Continuation, Expansion, Reduction or Termination.

CenterPoint Arkansas terminated this offering as a stand-alone program beginning with the July 2011-2013 Portfolio and will provide the services formerly provided by this program within the proposed Natural Gas Commercial Solutions Program.

3.2.8 Planned or Proposed Changes to Program & Budget.

As noted above, this program has been removed from the July 2011-2013 Portfolio.

3.3 Water Heating Conservation Improvement Program

3.3.1 Program Description.

The CenterPoint Energy Water Heating Conservation Improvement Program (CIP) is designed to promote efficient water heating solutions to residential (RS-1) and commercial (SCS) consumers. Rebate incentives are offered to consumers to encourage the purchase and installation of new high efficient natural gas storage tank water heaters and natural gas tankless water heaters. Customers that purchase and install at a location served by CenterPoint Arkansas can receive a \$50 or \$250 rebate depending on the efficiency and type of the water heater. Plumbers can receive a \$50 incentive for the installation of each gas tankless system that qualifies for the rebate.

3.3.2 Program Highlights.

- Water heating CIP program had 387 residential participants and 23 commercial participants. There were 363 gas tankless rebates and 47 gas storage tank rebates.
- Approximately 60 or more plumbers are participating in the water heater CIP program. CenterPoint Arkansas promoted the water heater rebates and trade ally incentive for gas tankless systems through a variety of mechanisms to plumbers, including working closely with water heater manufacturers, plumbing supply houses, plumbing organizations (e.g., Pulaski County Master Plumbers Association, Union UA-155.)
- CenterPoint Arkansas promoted the water heater rebates to customers through bill inserts, printed materials, a number of local events and

mass media. Events included several Home Shows, Home Builder Association events, the Delta Green Conference, the Little Rock Sustainability Summit, the University of Arkansas at Little Rock Sustainability Fair and others.

- CenterPoint Arkansas also worked closely with schools and housing authorities to promote energy efficient water heating and the rebate program.

3.3.3 Program Budget, Savings & Participants.

Water Heating CIP - Res												
2008			Budgeted Savings		Actual Savings		% Of Goal		2008			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2009			Budgeted Savings		Actual Savings		% Of Goal		2009			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2010			Budgeted Savings		Actual Savings		% Of Goal		2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$444,611	\$238,065	54%	0.00	668,706	1,079.22	373,426	-	56%	1,600	383	0	24%
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$148,204	\$79,355	54%	0.00	222,902	359.74	124,475	-	56%	533	128	0	24%
*Lifetime Savings												

Water Heating CIP - SCS												
2008			Budgeted Savings		Actual Savings		% Of Goal		2008			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2009			Budgeted Savings		Actual Savings		% Of Goal		2009			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2010			Budgeted Savings		Actual Savings		% Of Goal		2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$54,653	\$7,686	14%	0.00	82,199	5.14	1,600	-	2%	200	23	0	12%
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$18,218	\$2,562	14%	0.00	27,400	1.71	533	-	2%	67	8	0	12%
*Lifetime Savings												

3.3.4 Program Events & Training.

- CenterPoint Arkansas trained plumbers and plumbing distributors at events hosted by the water heater manufacturers AO Smith and Rinnai.
- CenterPoint Arkansas trained building contractors on the water heater rebates at several Home Builder Association meetings and events.
- CenterPoint Arkansas also trained regional staff and service technicians about rebate opportunities. Several customers mentioned that they heard about the program from a service technician.

3.3.5 Savings.

CenterPoint Arkansas utilized the most-recent Arkansas deemed savings estimates approved by the APSC, which can be located in Docket No. 07-152-TF. CenterPoint Energy used the measure lifetime listed in the R1-Residential Work Papers that were specific to each water heater technology (11 years for gas storage water heating and 20 years for gas tankless systems). CenterPoint Arkansas believes this is a more accurate and precise measure of useful life than the blended lifetime listed in R1-Residential, which is a singular average measurement for all water heating technologies combined, regardless of fuel type.

The Water Heating CIP program yielded the following results:

- Annual residential therm savings of: 18,854
- Annual commercial therm savings of: 80
- Lifetime residential therm savings of: 373,426
- Lifetime commercial therm savings of: 1,600

3.3.6 Challenges & Opportunities.

A key challenge to the Water Heating CIP program is enlisting plumber participation. Customers often respect and adhere to the advice given by plumbers on water heating options. Reaching plumbers to educate them about the program is a challenge. Plumbers are traditionally a hard to reach group, and unlike HVAC contractors, we have found no large organizational structure to reach this group. In addition, program experience has shown that many plumbers are adverse to any type of paperwork, which makes participation in the rebate programs difficult.

CenterPoint Energy will continue to work with the state licensing board, plumbing supply houses and water heater manufacturers to reach plumbers and educate them on the program. CenterPoint Arkansas also plans to work with the many state organizations that will be providing energy-related training to both urge them to provide efficiency training and also utilize any training provided to educate plumbers on rebate programs.

3.3.7 Outlook for Continuation, Expansion, Reduction or Termination.

Due to the impending expiration of the Federal tax credits for water heating systems at the end of 2011, CenterPoint Arkansas proposes to significantly increase the rebate levels within the Water Heating CIP for 2012 & 2013. However, we propose to maintain the 2010 rebate level for all of 2011 to avoid customer/trade ally confusion.

Additionally, the Water Heating CIP was not formerly offered to the large commercial (LCS) rate class. This provision recently prohibited CenterPoint Arkansas from partnering with the Little Rock Air Force Base on their housing upgrade project in 2010. While we do not foresee significant participation in this program from the LCS customer class, we propose to allow the LCS customer class to participate in this program beginning in July 2011. We will track customer participation and ensure that each customer class taking advantage of a particular program is allocated the appropriate costs.

3.3.8 Planned or Proposed Changes to Program & Budget.

All of the proposed changes to the programs and budgets have been filed and can be reviewed in detail in Docket No. 07-081-TF.

3.4 Space Heating Conservation Improvement Program

3.4.1 Program Description.

The CenterPoint Energy Space Heating Systems Conservation Improvement Program (CIP) is designed to promote efficient heating solutions to residential (RS-1) and commercial (SCS) consumers. Rebate incentives are offered to consumers to encourage the purchase and installation of new high-efficient natural gas furnaces with an Annual Fuel Utilization Efficiency (AFUE) rating of 90% or higher, direct vent wall furnaces with an AFUE rating of 80% or higher, and hydronic heating systems. HVAC contractors can receive a \$50 incentive for each qualifying rebate.

3.4.2 Program Highlights.

- CenterPoint Arkansas rebated 706 residential heating systems and 337 commercial systems. The majority of rebates were for primary heating with a 95% AFUE furnace.
- Approximately 126 HVAC companies participated in the Space Heating CIP program. CenterPoint Arkansas promoted the space heating rebates and trade ally incentives through a variety of mechanisms, including working closely with heating manufacturers, the Arkansas HVACR Association, the *HVAC Insider- Arkansas Edition* magazine and HVAC supply houses.
- CenterPoint Arkansas promoted the space heating rebates to customers through bill inserts, printed materials, a number of local events and mass media. Events included several Home Shows, Home Builder Association events, the Delta Green Conference, the Little Rock Sustainability Summit, the University of Arkansas at Little Rock Sustainability Fair and others.
- CenterPoint Arkansas also worked closely with schools and housing authorities to promote energy efficient space heating and the rebate program.

3.4.3 Program Budget, Savings & Participants.

Space Heating CIP - Res												
2008			Budgeted Savings		Actual Savings		% Of Goal		2008			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2009			Budgeted Savings		Actual Savings		% Of Goal		2009			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2010			Budgeted Savings		Actual Savings		% Of Goal		2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$624,833	\$402,548	64%	0.00	3,246,795	70,563.02	2,009,504	-	62%	1,600	704	0	44%
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$208,278	\$134,183	64%	0.00	1,082,265	23,521.01	669,835	-	62%	533	235	0	44%
*Lifetime Savings												

Space Heating CIP - SCS												
2008			Budgeted Savings		Actual Savings		% Of Goal		2008			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2009			Budgeted Savings		Actual Savings		% Of Goal		2009			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2010			Budgeted Savings		Actual Savings		% Of Goal		2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$76,806	\$134,726	175%	0.00	399,105	0.00	310,694	-	78%	200	337	0	169%
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$25,602	\$44,909	175%	0.00	133,035	0.00	103,565	-	78%	67	112	0	169%
*Lifetime Savings												

3.4.4 Program Events & Training.

- CenterPoint Arkansas trained HVAC contractors and HVAC distributors at meetings hosted by the heating manufacturers Trane, Carrier and Lennox.
- CenterPoint Arkansas trained HVAC contractors at Arkansas HVACR Association chapter meetings in Little Rock, Hot Springs and Texarkana.
- CenterPoint Arkansas trained building contractors on the space heating rebates at several Home Builder Association meetings and events.
- CenterPoint also trained regional staff and service technicians about rebate opportunities. Several customers mentioned that they heard about the program from a service technician.

3.4.5 Savings.

CenterPoint Arkansas utilized the most-recent Arkansas deemed savings estimates approved by the APSC, which can be located in Docket No. 07-152-TF. For direct vent heaters in a replacement application, the baseline was assumed to be a gravity type wall furnace rather than a fan driven wall furnace.

The deemed savings documents do not include savings calculations for back up heating. CenterPoint Arkansas's back up heating retrofits were assumed to be 15% of primary heating values, which is a conservative

estimate. CenterPoint Arkansas's back up heating rebates include an incentive for replacing a back up furnace with an 80% AFUE furnace. CenterPoint Arkansas calculated these savings by taking the savings difference between a standard 78% AFUE furnace and an 80% AFUE furnace from a proportional share of what the savings would be from a 78% AFUE furnace to a 90% AFUE furnace used in primary heating. A 78% AFUE furnace to an 80% AFUE furnace was found to be 16.6% of the savings between a 78% AFUE furnace and a 90% AFUE furnace. These proportional savings were discounted further by 15% to reflect the diminished timeframe that back up heating furnace operates compared to primary heating.

The Space Heating CIP program yielded the following results:

- Annual residential therm savings of: 111,304
- Annual commercial therm savings of: 17261
- Lifetime residential therm savings of: 2,009,504
- Lifetime commercial therm savings of: 310,694

3.4.6 Challenges & Opportunities.

The program received a boost in participation from the Federal tax credit, which provided an opportunity for customers to bundle financial savings and helped drive participation to utility rebates. One challenge of the Space Heating CIP is educating HVAC contractors about the program and the rebate process. CenterPoint Arkansas will continue to work closely with the Arkansas HVACR Association, manufacturers, supply houses and the state licensing board to educate HVAC contractors.

3.4.7 Outlook for Continuation, Expansion, Reduction or Termination.

Due to the impending expiration of the Federal tax credits for space heating systems at the end of 2011, CenterPoint Arkansas proposes to significantly increase the rebate levels within the Space Heating CIP for 2012 & 2013. However, we propose to maintain the 2010 rebate level for all of 2011 to avoid customer/trade ally confusion.

Additionally, the Space Heating CIP was not formerly offered to the LCS rate class. This provision recently prohibited CenterPoint Arkansas from partnering with the Little Rock Air Force Base on their housing upgrade project in 2010. While we do not foresee significant participation in this program from the LCS class, we propose to allow the LCS customer class to participate in this program beginning in July 2011. We will track

customer participation and ensure that each customer class taking advantage of a particular program is allocated the appropriate costs.

3.4.8 Planned or Proposed Changes to Program & Budget.

All of the proposed changes to the programs and budgets have been filed and can be reviewed in detail in Docket No. 07-081-TF.

3.5 Low Flow Showerhead and Faucet Aerator Conservation Improvement Program

3.5.1 Program Description.

The CenterPoint Energy Low Flow Showerhead and Aerator Conservation Improvement Program (Low Flow CIP) provides free energy-saving low flow showerheads and faucet aerators to CenterPoint Arkansas consumers. Customers can receive up to three low flow showerheads (1.5 GPM) or up to three faucet aerators (1.5 GPM).

3.5.2 Program Highlights.

- The Low Flow CIP program distributed 10,086 faucet aerators and 7,640 low flow showerheads to 3,630 CenterPoint Arkansas customers.
- The program was promoted through a bill stuffer and an email to all employees of the Arkansas Department of Human Services (ADHS).
- The ADHS email went “viral” and, within a week, CenterPoint Arkansas fulfilled more than its annual goal of 10,000 low flow products. ADHS has more than 6,000 employees across the state and many are CenterPoint Arkansas customers. ADHS employees forwarded an email about the low flow program to family and friends, resulting in a drastic increase in the number of low flow products requested.

3.5.3 Program Budget, Savings & Participants.

Low Flow Showerhead & Faucet Aerator CIP												
2008			Budgeted Savings		Actual Savings		% Of Goal		2008			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2009			Budgeted Savings		Actual Savings		% Of Goal		2009			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2010			Budgeted Savings		Actual Savings		% Of Goal		2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$181,404	\$114,947	63%	0.00	809,600	688.40	651,878	-	81%	10,000	17,708	2	177%
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$60,468	\$38,316	63%	0.00	269,867	229.47	217,293	-	81%	3,333	5,903	1	177%
*Lifetime Savings												

3.5.4 Program Events & Training.

Minimal training, if any is needed for the Low Flow CIP program.

CenterPoint Arkansas promoted this program through a bill stuffer and an email campaign.

3.5.5 Savings.

CenterPoint Arkansas utilized the most recent Arkansas deemed savings estimates approved by the APSC, which can be located in Docket No. 07-152-TF. The new low flow showerheads and faucet aerators delivered to customers use 1.5 gallons per minute (GPM) as opposed to the baseline of 2.5 GPM.

The Low Flow CIP program yielded the following residential savings:

- Annual faucet aerator therm savings: 22,651
- Annual showerhead therm savings: 89,770
- Lifetime faucet aerator therm savings: 113,256
- Lifetime showerhead therm savings: 538,622

3.5.6 Challenges & Opportunities.

The dramatic increase in participation within a short timeframe illustrates the need to monitor this program closely and frequently in order to avoid over-subscription. The Low Flow CIP program has the potential for “viral” marketing presumably because the products are free and require little investment by the customer other than installation. The program demonstrates that the public can have a demand for efficiency products where the financial and time investments are minimal. However, as program administrators, the challenge with the Low Flow CIP program is to closely monitor participation in order to prevent oversubscription and cost overruns.

3.5.7 Outlook for Continuation, Expansion, Reduction or Termination.

This program has been relatively successful; therefore, we proposed in our July 2011-2013 Portfolio to continue this program without modification.

3.5.8 Planned or Proposed Changes to Program & Budget.

All of the proposed changes to the programs and budgets have been filed and can be reviewed in detail in Docket No. 07-081-TF.

3.6 Commercial Boiler Conservation Improvement Program

3.6.1 Program Description.

The Commercial Boiler Conservation Improvement Program is designed to promote efficient heating and/or water heating solutions to all commercial customer classes. Rebate incentives are offered to consumers to encourage the purchase and installation of new high efficiency natural gas boiler equipment.

3.6.2 Program Highlights.

- CenterPoint Arkansas worked closely with the Arkansas Association of Healthcare Engineering (AAHE) to inform engineers on the use of EE boilers in their facilities (e.g., provided the VA Hospital a \$138,808 rebate).
- Established strong ties with the State’s college and university Plant Engineers.
- Maintained close relationships with the State’s boiler manufacturers’ sales reps.
- Identified all the boilers in the state through the Arkansas Department of Labor.

3.6.3 Program Budget, Savings & Participants.

Commercial Boiler CIP - SCS												
2008			Budgeted Savings		Actual Savings		% Of Goal		2008			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2009			Budgeted Savings		Actual Savings		% Of Goal		2009			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2010			Budgeted Savings		Actual Savings		% Of Goal		2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$186,777	\$80,610	43%	0.00	171,300	0.00	339,759	-	198%	104	17	0	16%
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$62,259	\$26,870	43%	0.00	57,100	0.00	113,253	-	198%	35	6	0	16%

*Lifetime Savings

Commercial Boiler CIP - LCS												
2008			Budgeted Savings		Actual Savings		% Of Goal		2008			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2009			Budgeted Savings		Actual Savings		% Of Goal		2009			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2010			Budgeted Savings		Actual Savings		% Of Goal		2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$193,297	\$254,175	131%	0.00	177,280	0.00	759,354	-	428%	108	14	0	13%
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$64,432	\$84,725	131%	0.00	59,093	0.00	253,118	-	428%	36	5	0	13%

*Lifetime Savings

3.6.4 Program Events & Training.

- Administered trainings at all CenterPoint Arkansas safety meetings held during July and August 2010.
- Joined the AAHE in November and presented Boiler CIP Program to all members.
- Provided individual training to boiler manufacturer sales reps, engineering and architecture firms.

- Participated in webinars on industrial boiler efficiency throughout the year.

3.6.5 Savings.

CenterPoint Arkansas utilized the most-recent Arkansas deemed savings estimates approved by the APSC, which can be located in Docket No. 07-152-TF. CenterPoint Arkansas used the (EUL) measure and savings calculation listed in C- Commercial and Industrial Installation & Efficiency Standards Section 2.12.

The Commercial Boiler CIP program yielded the following savings:

- Lifetime SCS boiler therm savings: 339,759
- Lifetime LCS boiler therm savings: 759,354

3.6.6 Challenges & Opportunities.

- High initial cost of energy efficient equipment.
- Limited number of boiler manufacturer/sales companies in Arkansas.
- Difficult for customers to grasp the long-term value of energy efficient equipment.
- Construction plans for industrial industry take place several years prior to building.
- Reluctance of engineers to participate in the program.

3.6.7 Outlook for Continuation, Expansion, Reduction or Termination.

This program has been relatively successful; therefore, we proposed in our July 2011-2013 Portfolio to continue this program without modification.

3.6.8 Planned or Proposed Changes to Program & Budget.

All of the proposed changes to the programs and budgets have been filed and can be reviewed in detail in Docket No. 07-081-TF.

3.7 Commercial Food Service Conservation Improvement Program

3.7.1 Program Description.

The Commercial Food Service Conservation Improvement Program is designed to promote the installation of high-efficiency food service equipment. Rebate incentives are offered to food service operators to

encourage the purchase and installation of new, qualifying natural gas food service equipment.

3.7.2 Program Highlights.

- CenterPoint Arkansas partnered with eleven local food service trade allies throughout the state to administer the program.
- Exposed the commercial food service rebate to national chains.
- Involved large food distributors with the program (Sysco Foods, Ben E Keith).
- CenterPoint Arkansas worked closely with the Arkansas Hospitality Association (AHA) on energy efficient food service practices to be relayed to the local industry.

3.7.3 Program Budget, Savings & Participants.

Commercial Food Service - SCS												
2008			Budgeted Savings		Actual Savings		% Of Goal		2008			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2009			Budgeted Savings		Actual Savings		% Of Goal		2009			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$0	-	0.00	0	0.00	0	-	-	0	0	0	-
2010			Budgeted Savings		Actual Savings		% Of Goal		2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$264,649	\$121,129	46%	0.00	237,894	0.00	3,901,725	-	1640%	234	99	0	42%
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$88,216	\$40,376	46%	0.00	79,298	0.00	1,300,575	-	1640%	78	33	0	42%
*Lifetime Savings												

3.7.4 Program Events & Training.

- CenterPoint Arkansas EE Consultants manned a booth at Sysco Foods' annual food show to educate customers on energy efficient natural gas food service equipment.
- Promoted program at the annual AHA Trade Show.
- Held individual training sessions for each food service trade ally.
- Administered trainings at all CenterPoint Arkansas safety meetings held during July and August 2010.

3.7.5 Savings.

CenterPoint Arkansas utilized the most-recent Arkansas deemed savings estimates approved by the APSC, which can be located in Docket No. 07-152-TF. CenterPoint Energy used the measured life of 11 years listed in F-2 Food Service Installation & Efficiency Standards.

The Commercial Food Service CIP program yielded the following savings:

- Annual SCS Food Service therm savings: 354,702
- Lifetime SCS Food Service therm savings: 3,901,725
- There were no savings in the LCS market

3.7.6 Challenges & Opportunities.

- High percentage of re-manufactured equipment used in the local market.
- Difficult for customers to grasp the long term value of energy efficient equipment.
- Penetration of national chains.
- Trade allies not up-selling to energy efficient equipment.

3.7.7 Outlook for Continuation, Expansion, Reduction or Termination.

This program has been relatively successful; therefore, we proposed in our July 2011-2013 Portfolio to continue this program without modification.

3.7.8 Planned or Proposed Changes to Program & Budget.

All of the proposed changes to the programs and budgets have been filed and can be seen in detail in Docket No. 07-081-TF.

3.8 Energy Efficiency Arkansas

3.8.1 Program Description.

Energy Efficiency Arkansas (EEA) provides residential and commercial customers in Arkansas with training and information about cost effective energy efficiency and conservation opportunities. It is managed by the Arkansas Economic Development Commission's Energy Office on behalf of the state's investor-owned public utilities and participating

cooperatives. For a detailed program description, see the EEA's report filed in Docket No. 08-066-RP.

3.8.2 Program Highlights.

Please see the EEA's annual report filed in Docket No. 08-066-RP for this information.

3.8.3 Program Budget, Savings & Participants.

The EEA program budget is divided below by customer class. There are no energy savings for this program. Please see the EEA's annual report filed in Docket No. 08-066-RP for participation information.

Energy Efficiency Arkansas - Res												
2008			Budgeted Savings		Actual Savings		% Of Goal		2008			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$218,275	-	0.00	0	0.00	0	-	-	0	0	0	-
2009			Budgeted Savings		Actual Savings		% Of Goal		2009			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$194,512	\$113,309	58%	0.00	0	0.00	0	-	-	0	0	0	-
2010			Budgeted Savings		Actual Savings		% Of Goal		2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$35,849	\$34,474	96%	N/A	N/A	N/A	N/A	-	-	N/A	N/A	N/A	-
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$76,787	\$122,019	159%	0.00	0	0.00	0	-	-	0	0	0	-
*Lifetime Savings												

Energy Efficiency Arkansas - SCS												
2008			Budgeted Savings		Actual Savings		% Of Goal		2008			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants		% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$52,322	-	0.00	0	0.00	0	-	-	0	0	0	-
2009			Budgeted Savings		Actual Savings		% Of Goal		2009			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants		% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$68,972	\$75,851	110%	0.00	0	0.00	0	-	-	0	0	0	-
2010			Budgeted Savings		Actual Savings		% Of Goal		2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants		% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$49,201	\$47,314	96%	N/A	N/A	N/A	N/A	-	-	N/A	N/A	N/A	-
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants		% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$39,391	\$58,496	148%	0.00	0	0.00	0	-	-	0	0	0	-
*Lifetime Savings												

Energy Efficiency Arkansas - LCS												
2008			Budgeted Savings		Actual Savings		% Of Goal		2008			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants		% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$6,291	-	0.00	0	0.00	0	-	-	0	0	0	-
2009			Budgeted Savings		Actual Savings		% Of Goal		2009			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants		% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$12,582	\$50,192	399%	0.00	0	0.00	0	-	-	0	0	0	-
2010			Budgeted Savings		Actual Savings		% Of Goal		2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants		% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$25,337	\$24,365	96%	N/A	N/A	N/A	N/A	-	-	N/A	N/A	N/A	-
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants		% Of	
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$12,640	\$26,949	213%	0.00	0	0.00	0	-	-	0	0	0	-
*Lifetime Savings												

3.8.4 Program Events & Training.

Please see the EEA's annual report filed in Docket No. 08-066-RP for this information.

3.8.5 Savings.

There are no direct energy savings associated with this program.

3.8.6 Challenges & Opportunities.

Please see the EEA's annual report filed in Docket No. 08-066-RP for this information.

3.8.7 Outlook for Continuation, Expansion, Reduction or Termination.

A comprehensive EEA program has been approved by the Commission through December 31, 2012. Please see filings made in Docket No. 07-083-TF for details.

3.8.8 Planned or Proposed Changes to Program & Budget.

All of the proposed changes to the programs and budgets have been filed and can be reviewed in detail in Docket Nos. 07-081-TF and 07-083-TF.

3.9 Arkansas Weatherization Program

3.9.1 Program Description.

The Arkansas Weatherization Program (AWP) provides energy assistance to severely inefficient homes. The program is administered through community action agencies on behalf of the state's investor-owned public utilities. For a detailed description, please see the AWP's report filed in Docket No. 08-065-RP.

3.9.2 Program Highlights.

Please see the AWP's annual report filed in Docket No. 08-065-RP for this information.

3.9.3 Program Budget, Savings & Participants.

Arkansas Weatherization Program												
2008			Budgeted Savings		Actual Savings		% Of Goal		2008			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$0	\$239,342	-	0.00	0	0.00	1,721,447	-	-	0	271	0	-
2009			Budgeted Savings		Actual Savings		% Of Goal		2009			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$456,862	\$189,953	42%	0.00	0	0.00	2,085,866	-	-	0	249	0	-
2010			Budgeted Savings		Actual Savings		% Of Goal		2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$265,752	\$475,117	179%	0.00	0	64,573.27	4,137,401	-	-	269	433	0	161%
3 Year Program Average			Budgeted Savings		Actual Savings		% Of Goal		2008 - 2010			
Annual	Actual	% Of	Demand*	Energy*	Demand*	Energy*	Demand*	Energy*	Participants			% Of
Budget	Expenses	Budget	Therms*Yrs	Therms	Therms*Yrs	Therms	Therms*Yrs	Therms	Targeted	Actual	Wait List	Goal
\$240,871	\$301,471	125%	0.00	0	21,524.42	2,648,238	-	-	90	318	0	354%
*Lifetime Savings												

3.9.4 Program Events & Training.

Please see the AWP's annual report filed in Docket No. 08-065-RP for this information.

3.9.5 Savings.

Please see the AWP's annual report filed in Docket No. 08-065-RP for this information.

3.9.6 Challenges & Opportunities.

Please see the AWP's annual report filed in Docket No. 08-065-RP for this information.

3.9.7 Outlook for Continuation, Expansion, Reduction or Termination.

Please see the AWP's annual report filed in Docket No. 08-065-RP for this information.

3.9.8 Planned or Proposed Changes to Program & Budget.

All of the proposed changes to the programs and budgets have been filed and can be reviewed in detail in Docket Nos. 07-081-TF and 07-079-TF.

EM&V

4.0 Overview.

CenterPoint Arkansas requires customers to provide adequate proof of installation, such as paid invoices that contain, at a minimum, model numbers and serial numbers of installed equipment that will be verified through the Air-Conditioning Heating and Refrigeration Institute (AHRI) to ensure that the installed measure meets program guidelines. In some cases, such as food service and boiler program measure installations, CenterPoint Arkansas employees physically verify installation and efficiency.

4.1 Program Evaluation.

CenterPoint Arkansas used deemed savings estimates as filed in Docket No. 07-152-TF to evaluate the energy savings associated with its portfolio of programs. These engineering estimates have been fully vetted by all parties and were approved by the Arkansas Public Service Commission. Further, CenterPoint Arkansas has allocated approximately 7% of its proposed July 2011-2013 Portfolio budget to EM&V and will collaborate with Staff to develop EM&V guidelines in accordance with NAPEE best practices.¹

4.2 Required Elements.

Cost-Effectiveness Test	Program Year										
	Levelized Cost	Participant Cost Test		Ratepayer Impact Measure		Program Administrator Cost		Total Resource Cost		Societal Test	
		(PCT)		(RIM)		(PAC)		(TRC)		(OT)	
Program	\$ / Therms	NPV (\$000's)	Ratio	NPV (\$000's)	Ratio	NPV (\$000's)	Ratio	NPV (\$000's)	Ratio	NPV (\$000's)	Ratio
CenterPoint Energy Education Program - Res	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CenterPoint Energy Education Program - SCS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Commercial Natural Gas Energy Audit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Energy Efficiency Arkansas - Res	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Energy Efficiency Arkansas - SCS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Energy Efficiency Arkansas - LCS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Arkansas Weatherization Program	2.25	2,745	2.66	-1,930	0.53	1,681	4.54	674	1.40	763	1.45
Water Heating CIP - Res	12.63	501	3.12	-368	0.34	-45	0.81	120	1.32	128	1.34
Water Heating CIP - SCS	96.08	20	2.39	-8	0.09	-7	0.10	12	1.80	12	1.80
Space Heating CIP - Res	3.62	2,569	5.60	-1,283	0.50	903	3.24	1,183	2.61	1,237	2.69
Space Heating CIP - SCS	7.81	151	1.57	-191	0.51	65	1.48	-46	0.84	-38	0.87
Low Flow Showerhead & Faucet Aerator CIP	1.02	998	N/A	-471	0.53	412	4.59	514	17.43	535	18.10
Commercial Boiler CIP - SCS	4.75	278	3.95	-140	0.60	131	2.63	130	1.97	139	2.04
Commercial Boiler CIP - LCS	6.69	612	8.86	-769	0.37	-306	0.60	-169	0.75	-149	0.78
Commercial Food Service - SCS	0.34	3,716	11.77	-943	0.76	2,791	24.04	2,716	7.43	2,835	7.71
Commercial Food Service - LCS											
EE Portfolio Total	2.49	12,012	4.68	-7,624	0.55	6,772	3.70	5,174	2.03	5,560	2.11

¹ As further addressed in Docket Nos. 07-152-TF, 08-137-U, 10-010-U, 10-100-R, and 10-101-R, Order Nos. 7, 16, 18, 13, 1, and 2, respectively.

Supplemental Requirements

5.1 Training

[illegible]

5.2 Lost Revenue.

See the Company's Energy Efficiency Cost Rider ("EECR") filing made in this docket on April 1, 2011, in which the Company requests recovery of lost contributions to fixed cost caused by the July 2011-2013 CIP Portfolio.

5.3 [Reserved for Future Use]

5.4 Challenges & Opportunities

Program Name	Program Challenges	Program Enhancements	Process Evaluations
CenterPoint Energy Education Program - Res	Constant marketing of energy educational materials and information to educate the consumer and create a demand for energy saving information and action.	Most of the program participation was on the web, which will continue to be relied upon as a primary medium. Utilize the print materials available through other sources such as EEA and ENERGY STAR.	No.
CenterPoint Energy Education Program - SCS	Low bill stuffer response from small commercial customers potentially due to bill stuffers reaching the accounts payable department, rather than a decision maker regarding energy in many instances. Constant marketing of energy educational materials and information to educate the consumer and create a demand for energy saving information and action.	Most of the program participation was on the web, which will continue to be relied upon as a primary medium. Utilize the educational benefits of the proposed custom energy program for the commercial sector as well as utilize resources available through EEA and DOE.	No.
Commercial Natural Gas Energy Audit	The \$200 co-pay limited participation in the program. In follow up survey of customers to see if any of the recommended measures would be implemented, less than 1% of energy savings recommended are expected to occur.	Replace the natural gas audit program with a custom energy program that provides a free energy audit. More than 50% of survey respondents cited a financial reason for not implementing a recommended energy saving measure. CenterPoint has proposed transforming the energy audit program into a custom energy program that combines energy audits with financial incentives for implementing gas saving measures.	Customer satisfaction survey was sent to participant with almost a third of participants responding. Survey responses are largely positive with most respondents giving the program a rating of 9 out of 10 maximum points of satisfaction. Customers were also surveyed by program implementer to assess whether any of the recommended measures were likely to be implemented in the near future.
Energy Efficiency Arkansas - Res	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.
Energy Efficiency Arkansas - SCS	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.
Energy Efficiency Arkansas - LCS	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.
Arkansas Weatherization Program	CenterPoint Energy defers to the Arkansas Community Action Agencies Association's (ACAAA's) assessment on this item.	CenterPoint Energy defers to the Arkansas Community Action Agencies Association's (ACAAA's) assessment on this item.	CenterPoint Energy defers to the Arkansas Community Action Agencies Association's (ACAAA's) assessment on this item.
Water Heating CIP - Res	Reaching plumbers to educate them about the program is a challenge. They are traditionally a hard to reach group with no large organizational structure.	Continue to work with the state licensing board. Strengthen partnership with supply houses and manufacturers.	Fundamental eligibility requirements are confirmed (e.g. energy efficiency, customer status) before rebate is processed and paid.
Water Heating CIP - SCS	Reaching plumbers to educate them about the program is a challenge. They are traditionally a hard to reach group with no large organizational structure.	Continue to work with the state licensing board. Strengthen partnership with supply houses and manufacturers.	Fundamental eligibility requirements are confirmed (e.g. energy efficiency, customer status) before rebate is processed and paid.
Space Heating CIP - Res	Educating HVAC contractors about program.	Continue to work HVACR association and state licensing board. Strengthen partnership with supply houses and manufacturers.	Fundamental eligibility requirements are confirmed (e.g. energy efficiency, customer status) before rebate is processed and paid.
Space Heating CIP - SCS	Educating HVAC contractors about program.	Continue to work HVACR association and state licensing board. Strengthen partnership with supply houses and manufacturers.	Fundamental eligibility requirements are confirmed (e.g. energy efficiency, customer status) before rebate is processed and paid.
Low Flow Showerhead & Faucet Aerator CIP	Ending program before oversubscription.	Increase the monitoring of program participation.	Customer eligibility is confirmed before product is sent.
Commercial Boiler CIP - SCS	Getting local trade allies to relay our commercial rebate programs to the customers. The high initial cost of the energy efficient boilers itself proposes another market barrier. Our customers are having a hard time understanding the long-term value of high-efficiency boilers.	We will be providing continuous reminders and training through direct mail outs, webinars, and face to face opportunities to local trade allies and customers on our boiler rebate opportunities. Our staff has observed the need to be more hands on with the rebate application process with Mechanical Engineers and Architects. Training our trade allies to explain the importance of life-cycle costs to customers. Staff will continue to be proactive in outreach and marketing to our dealers.	No

Commercial Boiler CIP - LCS	Large industrial high-efficiency qualifying equipment is relatively new in our market place. The lengthy installation process of this equipment proposes a barrier compared to standard boiler rooms.	Maintaining close relationships with Mechanical Engineers and Architects is of high importance. Continuous reminders and training to trade allies and customers through direct mail outs, webinars, and face to face opportunities on our boiler rebate opportunities.	100% of the boilers installed in this market segment were viewed on premise by a CNP Energy Efficiency Consultant after the equipment was installed and fully operational.
Commercial Food Service - SCS	Local restaurant entrepreneurs have not bought into the concept of the overall savings in which energy efficient equipment will provide. Most of their equipment purchases come from the refurbished market. The high incremental cost of energy efficient equipment over standard proposes a large market barrier. Still some trade allies that we have not reached. Penetrating the National Chain market on there awareness of our food service rebate program.	Provide outreach and market training to trade allies and customers on the importance of life-cycle costs. Keep trade allies up to date on new energy efficient equipment available. Provide market outreach to trade allies through in-store brochures and collateral. Continuously remind trade allies of the large incentives available to them for the up-sell of high efficient equipment. Working with the Energy Solution Center's (ESC) National Account Consortium to develop a streamline process to rebate Chains energy efficient equipment.	30% of the equipment installed in this market segment were viewed on premise by a CNP Energy Efficient Consultant to verify equipment qualification.
Commercial Food Service - LCS	Relatively small market in our service territory.	Direct market outreach Hospitals and Institutions (Jails, Prisons).	No

5.5 Market Maturity

Program Name	Market Assessment		
	Present Program	Future Comprehensive Program	Maturity 10-Year Outlook
CenterPoint Energy Education Program - Res	Program touched an estimated 5,000 customers total with 96% of them being residential. 1,395 residential customers requested efficiency materials by responding to a bill insert promotion. There were 3,674 web views of efficiency materials total and hundreds of materials were also distributed at several events.	Program will continue to have a strong web presence where most of the participant activity occurred. Rather than exist as a separate program, CenterPoint will utilize the print materials available through EEA and other programs and will incorporate more of the education efforts into the utility's rebate programs.	A saturation level for energy efficiency information can never be achieved. New technologies and efficiency techniques will need to be communicated and market will continually have new energy users to educate. CenterPoint will continue to utilize its resources and also work with other education efforts to promote energy efficient practices.
CenterPoint Energy Education Program - SCS	Commercial customers generated 4% of requests for information, including 52 commercial customers requesting efficiency materials by responding to a bill insert promotion. There were 3,674 web views of efficiency materials total with an unknown number coming from the commercial sector.	Program will continue to have a strong web presence where most of the participant activity occurred. Rather than exist as a separate program, CenterPoint will utilize the educational benefits of the proposed custom energy program, as well as materials available through EEA, DOE and other programs and will incorporate more of the education efforts into the utility's rebate programs.	A saturation level for energy efficiency information can never be achieved. New technologies and efficiency techniques will need to be communicated and market will continually have new energy users to educate. CenterPoint will continue to utilize its resources and also work with other education efforts to promote energy efficient practices.
Commercial Natural Gas Energy Audit	Sixteen customers participated in the audit program out of more than 40,000 potential participants. CenterPoint sent approximately 1,500 letters to the highest natural gas users in the state to promote the program.	Evolve the program into a custom energy program that provides both energy audits and financial incentives based on energy savings. This would help gain participants in the program and increase the implementation rate of audit recommendations.	A customized commercial energy program will enable a significant segment of high usage natural gas customers to identify energy saving opportunities and implement savings measures.
Energy Efficiency Arkansas - Res	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.
Energy Efficiency Arkansas - SCS	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.
Energy Efficiency Arkansas - LCS	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.	CenterPoint Energy defers to the Arkansas Energy Office's assessment on this item.
Arkansas Weatherization Program	CenterPoint Energy defers to the Arkansas Community Action Agencies Association's (ACAAA's) assessment on this item.	CenterPoint Energy defers to the Arkansas Community Action Agencies Association's (ACAAA's) assessment on this item.	CenterPoint Energy defers to the Arkansas Community Action Agencies Association's (ACAAA's) assessment on this item.

Water Heating CIP - Res	Residential participants total 391, representing 2% of the retrofit market.	Increase participation to more than 8% of the retrofit market (1,600 residential customers).	A saturation level for efficient water heaters can never be achieved. New technologies, homes and replacement demands will continue to drive demand for more efficient water heaters.
Water Heating CIP - SCS	Commercial participants total 23, representing 1% of the retrofit market.	Increase participation to more than 8% of the retrofit market (200 commercial customers).	A saturation level for efficient water heaters can never be achieved. New technologies, homes and replacement demands will continue to drive demand for more efficient water heaters.
Space Heating CIP - Res	Residential participants total 717, which is approximately 3.8% of the retrofit market.	Increase residential participation of at least 8.5% of the retrofit market (1,600).	A saturation level for efficient space heating equipment can never be achieved. New technologies, homes and replacement demands will continue to drive demand for more efficient space heating equipment.
Space Heating CIP - SCS	Commercial participants total 338 which is 14.5% of the retrofit market.	The commercial sector had strong participation rates. CenterPoint will continue to work with school districts and housing authorities to continue strong commercial participation in the program.	A saturation level for efficient space heating equipment can never be achieved. New technologies, homes and replacement demands will continue to drive demand for more efficient space heating equipment.
Low Flow Showerhead & Faucet Aerator CIP	3,630 households participated in the low flow program representing slightly less than 10% of the customer base.	Continue same market penetration.	A saturation level for low flow units can never be achieved as new construction and low flow product replacement continue to drive demand for low flow showerheads and faucet aerators.
Commercial Boiler CIP - SCS	CNP rebated 17 energy efficient boilers in our SCS customer market. We are currently deciphering a boiler count in our service territory from information presented by the Department of Labor.	CNP will continue to penetrate this market with training and educational materials to both customers and trade allies.	Complete saturation for this market will never be achieved. The industries energy efficient technology is continuously evolving.
Commercial Boiler CIP - LCS	CNP rebated 14 energy efficient boilers in our LCS customer market. We are currently deciphering a boiler count in our service territory from information presented by the Department of Labor.	CNP will continue to penetrate this market with training and educational materials to both customers and trade allies.	Complete saturation for this market will never be achieved. The industries energy efficient technology is continuously evolving.
Commercial Food Service - SCS	The Commercial Food Service CIP program achieved 42% of its goal for 2010. Rebating a total of 99 energy efficient pieces of equipment in only a 6 month time period.	CNP will continue to promote the Food Service CIP program to commercial operators and dealers through local publications, various media avenues as well as direct customer contact.	Complete saturation in this market will never be achieved. Development of new technologies, restaurants and replacement opportunities are continuous.
Commercial Food Service - LCS	CNP provided zero penetration in this market.	Extensive outreach and training is planned for the large cafeteria institutions (Prisons, Hospitals, Colleges).	Complete saturation of this market will never be achieved. Energy Efficiency in food service equipment is rapidly evolving.

5.6 Staffing.

CenterPoint Arkansas has completely staffed-up to manage its comprehensive energy efficiency programs. A CIP implementation manager was hired to manage the day to day activities of the CIP team and assure that the programs are compliant with regulatory requirements. Additionally, two energy efficiency consultants and an energy efficiency coordinator were hired to deliver the programs.

The energy efficiency consultant's responsibilities are to implement energy efficiency programs that pursue the CenterPoint Arkansas vision, meet regulatory and legislative requirements and respond to customer needs. They manage productivity and build relationships with external vendors, ensuring maximum performance and compliance with CenterPoint Arkansas corporate goals and guidelines with regards to energy efficiency initiatives. They play a key role in achieving program goals.

The energy efficiency coordinator manages the trade ally database, processes all rebates paid to CenterPoint Arkansas rebate program participants, processes all invoices for external vendors, verifies that all equipment rebated meets minimum requirements, manages all IT updates to the CIP tracking system within SAP, and assists the energy efficiency consultants in management of all external vendors used to deliver the CNGEA and Low-Flow programs.

5.7 Stakeholder Activities.

CenterPoint Arkansas actively participates in all stakeholder collaboratives, such as quarterly meetings with EEA and AWP; additionally, CenterPoint Arkansas has been and will continue to be an active participant in the EM&V and Self-Direct Option collaboratives.

CenterPoint Arkansas has also been very active in local trade associations such as home builders associations, HVAC contractors associations, Arkansas Hospitality Associations, Sustainable Business Network of Central Arkansas, Green Restaurant Alliance, Arkansas Association of Healthcare Engineering, Gas Food Equipment Network, Arkansas Education Association, and the local public housing authorities.

Internally, CenterPoint has worked to train its Marketing Consultants to work with the local builders and developers to garner participation in the new construction market and has worked with field employees to identify potential participants throughout their day to day activities. For a more detailed report on training, please see the Section 5.1.

5.8 Estimation of EE Resource Potential.

As described on pages 76-77 of its 2010 Gas Procurement Plan, CenterPoint Arkansas employs trend analysis to determine its gas supply requirements. To the extent that energy efficiency accelerates load loss, this impact is recognized by the Company's gas supply department and is incorporated into the Company's gas procurement plan filed annually with the Arkansas Public Service Commission. In future years, the gas supply department and energy efficiency departments will work together to determine whether a discrete adjustment in load projections is necessary.

5.9 Information Provided to Consumers to Promote EE.

CenterPoint Arkansas uses a variety of tools to provide information to consumers about energy efficiency and efficiency programs. These include:



- Printed factsheets for consumers
- Printed factsheets for trade allies

- Bill inserts
- Website
- Advertisements on TV, radio and in print
- CenterPoint Energy Education Program publications, which include six residential publications and one commercial publication.

Examples of each type of information can be found in the Appendix.

Appendix

Sample of factsheets for residential and commercial consumers:

Gas is simply greener

Now, saving money and our environment go hand-in-hand. Natural gas is a clean-burning fuel that has less impact on the environment.

Compared to other fuels, natural gas releases:

- Less than half the amount of carbon dioxide (a major greenhouse gas)
- Almost no sulfur dioxide (a major cause of acid rain and haze)
- Less than one-third the amount of nitrogen oxides (the primary cause of smog)
- No mercury emissions (makes some fish unsafe to eat)

Measure how your choices impact the environment by visiting our energy costs and emissions calculator at CenterPointEnergy.com/energycalculator.

Learn more about energy efficiency rebates: CenterPointEnergy.com/arkansasrebates

Contact us at:
ArkansasEfficiency@CenterPointEnergy.com

CenterPoint Energy
401 W. Capital Avenue, Suite 102
Little Rock, AR 72201
501-408-0400

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TURN ON ENERGY SAVINGS WITH NATURAL GAS WATER HEATERS

CenterPoint Energy's Water Heater Rebate Program

With CenterPoint Energy's water heater rebate program, you can efficiently heat water for your home or business and do the right thing for the environment, all while saving energy and money.

You'll see the difference long-term on your energy bills when you install a high-efficiency natural gas tank water heater with a 62 percent or greater energy factor, or a tankless water heater with an 80 percent or greater energy factor. You'll get an immediate benefit of a \$50 or \$250 rebate.

Your rebate savings heat up even more with greater efficiency installations. Investing in replacement or new equipment is easier with help from CenterPoint Energy's rebate programs.

WATER HEATER REBATES AVAILABLE

Qualifying equipment	Efficiency rating*	Rebate
Storage tank	≥.62 EF	\$50
Tankless	≥.80 EF	\$250

* Energy Factor (EF) is the ratio of useful energy output from the water heater to the total amount of energy delivered to the water heater.

More great energy-saving programs

Other heating systems.

Rebates are available for new and retrofit:

- Forced air furnaces
- Direct vent furnaces
- Hydronic heating systems
- Backup heating systems

Boiler system and equipment.

Rebates are available for:

- Boilers
- Boiler system components

Start saving now


Rebates are awarded on a first-come, first-served basis until funds are depleted. Program funds are anticipated to be available annually and are subject to approval from the Arkansas Public Service Commission. Please check program website for updates.

Three easy steps


1. Purchase and install a qualifying water heating unit at a location with natural gas service from CenterPoint Energy in Arkansas or the Texas communities of Texarkana, Nash, Redwater or Wake Village.
2. Complete the rebate form with your plumber/installer.
3. Submit rebate form with a copy of your invoice.

- Make sure the invoice includes date, brand and complete model number.
- Submit within 90 days of installation, or by Dec. 31 of the calendar year of installation, whichever comes first.

Sample of factsheets for commercial consumers:



DIAL UP ENERGY SAVINGS WITH NATURAL GAS



CenterPoint Energy's Commercial Boiler and System Component Rebate Program

With CenterPoint Energy's rebate programs for boiler systems and components, you can save energy and money on some of the hardest working equipment in your facility. You can improve your facility's efficiency without sacrificing employee or customer comfort and do the right thing for the environment, while cutting energy costs for years to come.

You'll see the difference long-term on your energy bills when you install a qualifying commercial natural gas boiler system or boiler components. Plus, you'll get a rebate for immediate cost savings. Investing in replacement or new equipment is easier with help from CenterPoint Energy's rebate programs.

Rebates are available for:

- Commercial boilers
- Boiler reset controls
- Fully-modulating or 6-step modulation boiler burners
- Vent dampers
- Boiler cut-out controls

Gas is simply greener

Now, saving money and our environment go hand-in-hand. Natural gas is a clean-burning fuel that has less impact on the environment.

Compared to other fuels, natural gas releases:

- Less than half the amount of carbon dioxide (a major greenhouse gas)
- Almost no sulfur dioxide (a major cause of acid rain and haze)
- Less than one-third the amount of nitrogen oxides (the primary cause of smog)
- No mercury emissions (makes some fish unsafe to eat)

Measure how your choices impact the environment by visiting our energy costs and emissions calculator at CenterPointEnergy.com/energycalculator.

BOILER AND SYSTEM COMPONENT REBATES

Equipment	Efficiency requirement**	Rebate amount
High-efficiency boilers (minimum 100,000 MMBtu*)	85% - 91.9%	\$1,400/MMBtu input; not to exceed 25% of equipment costs
High-efficiency boilers (minimum 100,000 MMBtu*)	≥92%	\$2,000/MMBtu input; not to exceed 25% of equipment costs
Fully-modulating or 6-step modulation boiler burners		\$1,000/MMBtu input; not to exceed 25% of equipment costs
Vent dampers		Up to \$250/boiler; not to exceed 25% of equipment costs
Boiler reset controls		Up to \$150/control system; not to exceed equipment cost
Boiler cut-out controls		Up to \$150/control system; not to exceed equipment cost

*Rebates will be paid once boilers are installed.
**Boiler efficiency rating to represent the designed/installed operating efficiency of the boiler for the application.

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Continued on back

To learn more about energy efficiency

rebates or to download rebate

application forms, visit:

CenterPointEnergy.com/arkansasrebates

Contact us at:

ArkansasEfficiency@CenterPointEnergy.com

or call us at 1-888-438-0409.

CenterPoint Energy

401 W. Capitol Avenue, Suite 102

Little Rock, AR 72201

More great energy-saving programs

High-efficiency natural gas water heaters

Your rebate savings heat up even more with greater efficiency installations. Install a high-efficiency natural gas tank water heater with a 62 percent or greater energy factor and get a rebate of \$50. Or, install a tankless water heater with an 80 percent or greater energy factor and get a \$250 rebate.

Other heating systems

Rebates are available for new and retrofit:

- Forced air furnaces
- Direct vent wall furnaces
- Hydronic heating systems
- Back-up heating systems

Food service rebates

Rebates up to \$1,000 are available for 10 different types of commercial food service equipment, including broilers, convection ovens, fryers and more.

Start saving now

Rebates are awarded on a first-come, first-served basis until funds are depleted. Program funds are anticipated to be available annually and are subject to approval from the Arkansas Public Service Commission. Please check program website for updates.

Three easy steps to apply for your rebate

1. Purchase qualifying new natural gas equipment and install at a location with natural gas service from CenterPoint Energy in Arkansas or the Texas communities of Texarkana, Nash, Redwater and Wake Village.
2. Complete the rebate form.
3. Submit the rebate form with a copy of the invoice to:
Commercial Rebate Processing
CenterPoint Energy
401 W. Capitol Ave., Suite #102
Little Rock, AR 72201

Rebate form must be submitted within 90 days of installation, or by Dec. 31 of the calendar year of installation, whichever comes first.



Always There.®

Sample of print factsheets for trade allies:



HOW PLUMBING CONTRACTORS CAN PARTICIPATE IN OUR REBATES



Steps to Receiving the Incentive:

Plumbers can receive a \$50 incentive for every eligible rebate on qualifying natural gas tankless water heaters

1). Obtain a CenterPoint Dealer ID Number
CenterPoint Energy assigns a six-digit trade ally/dealer ID that is used to tabulate incentives and expedite rebate processing. In order to assign your company with an ID number, submit a W-9 and an Electronic Fund Transfer (EFT) form to the address below. The EFT form enables incentives to be deposited directly into the company's bank account and is the preferred method for payment. Forms are available upon request by mail, e-mail (ArkansasEfficiency@CenterPointEnergy.com) or by calling 888-498-0409. Mail your request to:

Rebate Processing Center
CenterPoint Energy
401 W. Capitol, Suite 102
Little Rock, AR 72201

2). Understand and promote the rebates
Know which products you sell will qualify for the rebates. Let your CenterPoint Energy customers know that rebates are available for qualifying systems. Your customers will benefit today and tomorrow from greater energy savings and comfort, and you will benefit from more satisfied customers. Contact us for hard copies of brochures and rebate forms.

3). Help your customers with the rebate form
There is a section of the rebate form for the plumber/installer. Please include your CenterPoint Energy Dealer ID number on the rebate form. Also provide customers with invoices that include date, brand, complete model number.

CenterPoint Energy customers in Arkansas can receive a rebate on high-efficiency hot water heaters. Plumbers/ installers will receive a \$50 incentive for every eligible rebate on qualifying gas tankless water heaters. Rebates are available for small to mid-sized commercial, residential, new construction, and replacement (additions/remodels) applications.

CenterPoint Energy Customer Rebates:

Hot Water Heaters:

	\$50	gas storage tanks with EF* 0.62 or more
	\$250	gas tankless systems with EF* of 0.80 or more

*EF= Energy Factor

Rebates on heating systems are also available

	\$200	gas furnaces with AFUE* 90-94.9%
	\$300	gas furnaces with AFUE* 95% or more
	\$200	direct vent wall furnaces AFUE* 80% or more
	\$300	hydronic heating systems AFUE* 82% or more
	\$125	back-up furnaces AFUE* 80-89.9%
	\$175	back-up furnaces AFUE* 90% or more

*AFUE= Annual fuel utilization efficiency

Learn more: centerpointenergy.com/arkansasrebates
Contact us: 888-498-0409 or ArkansasEfficiency@CenterPointEnergy.com

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Sample of bill insert:

MINN EAPOLIS MN 55409-9119
P O BOX 249
E EDUCATION PRO GRAM
C EN TERPOINT ENER GY
P O BOX 249
MINN EAPOLIS MN 55409-9119

BUSINESS REPLY MAIL

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

CenterPoint Energy

**CONSERVE ENERGY
SEAL IN SAVINGS**

Learn how to lower energy costs with our FREE publication.

Order our FREE energy-saving tips guide for small businesses and find out how to conserve energy and seal in savings.

Here are a few tips to help you conserve energy:

- Get a professional tune-up of your commercial heating and cooling equipment to ensure safe, reliable and efficient operation.
- When replacing or purchasing new equipment, consider equipment that is more efficient than the minimum standard - higher purchase costs will often pay for themselves in energy savings over time.
- Install system controls for heating and cooling equipment and have them professionally set to respond to changes in outdoor temperatures and building occupancy.
- Seal air leaks around doors, windows, roofline and roof penetrations to increase energy efficiency.
- Use exhaust fans as little as possible, especially during unoccupied hours.
- Keep exterior and freight doors closed as much as possible to reduce heating or cooling loss.

CenterPoint Energy
Always There.®

For more detailed energy-saving tips, please complete and return this postage paid reply card.

Please send me the FREE publication Saving Energy Dollars: No Cost/Low Cost Solutions for the Small Business

Name _____
Company _____
Address _____
City/State/Zip _____
Business phone () _____
Commercial gas bill account # _____
Allow 4-6 weeks for shipping.

Visit CenterPointEnergy.com/arkansasrebates for more energy-saving ideas and other helpful information, including details on rebates for the purchase and installation of high-efficiency natural gas equipment.

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NEW REBATE PROGRAMS TO LIFT YOUR SPIRITS

Save energy and money with rebates for new high-efficiency natural gas equipment

SAY YES TO ENERGY SAVINGS!

CenterPoint Energy's new rebate programs give our natural gas customers in Arkansas money-saving options for purchasing and installing high-efficiency natural gas equipment in their homes and businesses.

2010 REBATE PROGRAM OVERVIEW

Heating systems: Rebates up to **\$300** for qualifying natural gas heating systems.

Water heaters: Rebates up to **\$250** for qualifying natural gas tankless and storage tank water heaters.

You may also be eligible for a federal tax credit of up to \$1,500 when you purchase and install qualifying heating and water heating systems.

Now is the perfect time to upgrade and enjoy the cost-savings and comfort of energy efficient, environmentally friendly natural gas equipment.

To learn more about the new 2010 rebate programs, visit CenterPointEnergy.com/arkansasrebates or contact us at ArkansasEfficiency@CenterPointEnergy.com.

Insist on natural gas ... today's choice for a cleaner tomorrow

CenterPoint Energy
Always There.®

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MORE ENERGY-SAVING IDEAS



After air conditioning and heating, hot water is the largest user of energy in your home – accounting for 15 percent of your total energy use. Installing low flow showerheads and faucet aerators are an easy way to save energy. Following are some other easy steps you can take to save on your home's hot water use:

- Insulate hot water pipes that run through cold areas
- Drain a few pails of water from the faucet at the bottom of the water heater every month to remove sediment
- Run your garbage disposal with cold water
- Fix leaky faucets and toilet tanks. Even a small leak can waste as much as 3,280 gallons of water a year.

For more information, visit CenterPointEnergy.com/ArkansasRebates.




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**FREE
LOW FLOW
SHOWERHEADS
AND AERATORS**

Order energy-saving showerheads and faucet aerators for your home today.


SAVE ENERGY, SAVE HOT WATER




Available in the finish of your choice, chrome (above) or ivory (next page)

These FREE, easy-to-install showerheads and faucet aerators are designed to reduce your hot water use, with no sacrifice in water pressure.

- Lowers your energy costs
- Reduces hot water use
- Eases demand on sewer and water systems



Kitchen swivel faucet aerator



Bathroom faucet aerator

Compare your savings. Using just one low flow showerhead and one faucet aerator can reduce the average family's hot water use by more than **3,000 gallons in a single year!**

Showerhead Annual gallons saved	Faucet aerator Annual gallons saved
2,171 gallons	930 gallons


Savings based on installation of 1.5 gallons-per-minute showerhead and 1.5 gallons-per minute faucet aerator.

Reduce your hot water usage. Reducing your hot water usage with a single low flow showerhead and faucet aerator will save you \$24 per year in energy costs.*

* Based on .80/CCF for natural gas.

Order yours today! This offer is available only to CenterPoint Energy residential natural gas customers.

You can order up to three low flow showerheads – available in chrome or ivory finish – **AND** three faucet aerators (any combination of kitchen and bath – kitchen aerators swivel).



Ivory color choice

To place your order: For fastest service go to CenterPointEnergy.com/ARLowFlow, or call us toll-free at 1-877-815-9176.

Please allow six to eight weeks for delivery. Program ends Dec. 31, 2010. Quantities are limited, and orders are fulfilled on a first come, first served basis. Complete installation instructions are included.

Print Screen of Efficiency Website (www.centerpointenergy.com/ArkansasRebates):



ARKANSAS REBATES

SAVE ENERGY, SAVE THE ENVIRONMENT AND SAVE MONEY!



A sweet deal for homeowners, businesses, builders and trade allies: CenterPoint Energy's package of energy savings programs for energy-efficient natural gas equipment can lower your energy use and operating costs.

Making the smart move towards a more energy-efficient home or business not only saves energy, it also saves you money on your energy bills. We reward our customers for choosing high-efficiency natural gas equipment by offering rebates for their purchases.

Find the category below that best fits your needs and identify the equipment that qualifies for a rebate. Link to more information to check out the fact sheets and download the rebate application. Then see how much of a rebate you can earn by purchasing and installing qualifying equipment.

Contact ArkansasEfficiency@CenterPointEnergy.com if you have any questions.

FREE Publications

CenterPoint Energy provides a wealth of helpful information and energy-saving tips .

RESIDENTIAL REBATES



Save energy, Save money

Energy-efficiency programs and rebates can help save energy and save money for CenterPoint Energy residential customers.

- [Heating system rebates](#)
- [Water heater rebates](#)
- [Low flow shower heads and aerators](#)
- [Energy Efficiency Arkansas](#)
- [Arkansas Weatherization Program brochure](#)

REBATES FOR BUSINESS



Many rebates, countless ways to save

Save energy and money when you choose high-efficiency natural gas equipment.

- [Boiler system rebates](#)
- [Boiler component rebates](#)
- [Foodservice equipment rebates](#)
- [Heating system rebates](#)
- [Water heater rebates](#)
- [Natural Gas Energy Audit Program](#)

FOR BUILDERS AND TRADE ALLIES



Energy-efficient savings

See how our energy-efficiency programs and rebates can help you satisfy your customers and improve your bottom line.

- [Builders and Developers](#)
- [Mechanical contractors & commercial distributors](#)
- [Residential dealers & distributors](#)
- [Foodservice equipment](#)

NATURAL GAS	ELECTRICITY	GAS ENERGY SALES	PIPELINES	FIELD SERVICES	... AND MORE															
<p>MY ACCOUNT ONLINE</p> <p>User ID: <input type="text"/></p> <p>Password: <input type="password"/></p> <p>Login</p> <p>Login Help Register</p>																				
<p>DOWNLOAD</p> <p> Heating System Rebate Fact Sheet</p> <p> Heating System Rebate Form</p>																				
<h2>HEATING SYSTEM REBATES</h2> <p>IT PAYS TO BUY HIGH-EFFICIENCY EQUIPMENT</p>																				
<p>High-efficiency heating system rebates</p> <p>CenterPoint Energy's high-efficiency heating system rebates program provides rebates up to \$300 when you replace your inefficient heating system with a high-efficiency system. Lower your energy bills, save money today, and for years to come.</p>																				
<table border="1"> <thead> <tr> <th>EQUIPMENT</th><th>EFFICIENCY</th><th>REBATE</th></tr> </thead> <tbody> <tr> <td>Natural gas forced-air furnace</td><td>90% to 94.9% AFUE</td><td>\$200</td></tr> <tr> <td>Natural gas forced-air furnace</td><td>95% or higher AFUE</td><td>\$300</td></tr> <tr> <td>Direct vent wall furnace</td><td>80% or higher AFUE</td><td>\$200</td></tr> <tr> <td>Hydronic heating system</td><td>82% or higher AFUE</td><td>\$300</td></tr> </tbody> </table>						EQUIPMENT	EFFICIENCY	REBATE	Natural gas forced-air furnace	90% to 94.9% AFUE	\$200	Natural gas forced-air furnace	95% or higher AFUE	\$300	Direct vent wall furnace	80% or higher AFUE	\$200	Hydronic heating system	82% or higher AFUE	\$300
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Natural gas forced-air furnace	90% or higher AFUE	\$175																		
<p><small>*AFUE=Annual Fuel Utilization Efficiency.</small></p> <p><small>*Back-up heating system rebates apply only to new natural gas furnaces used as a back-up system to heat pumps for new construction or natural gas boilers - not for electric heating boilers or natural gas. Fuel switching is not eligible.</small></p> <p><small>Note: Efficiency will be determined by using the Air-Conditioning, Heating and Refrigeration Institute (AHRI) rating system.</small></p>																				
<p>Program Basics</p> <p>Rebates are rewarded on a first-come, first-serve basis until funds are depleted. Rebate program funds are budgeted on an annual basis. Rebate amounts and</p>																				

HOME ABOUT US SERVICES NEWSROOM COMMUNITY INVESTORS CAREERS CONTACT US

NATURAL GAS ELECTRICITY CES ENERGY SALES PIPELINES FIELD SERVICES ...AND MORE

MY ACCOUNT ONLINE

User ID:

Password:

[LOGIN](#)

[Login Help](#) | [Register](#)

DOWNLOAD

[Foodservice Equipment Rebate Fact Sheet](#)

ARKANSAS

[Change Region]

RESIDENTIAL

BUSINESS

REBATES FOR BUSINESS

Heating Systems

Boiler Systems

Boiler System Components

Water Heater Rebates

Foodservice Equipment Rebates

NATURAL GAS EQUIPMENT

NATURAL GAS PRICES

ACCOUNT SERVICES

ENERGY INFORMATION

NATURAL GAS SAFETY

CUSTOMER SERVICE

NATURAL GAS TRANSPORTATION

NATURAL GAS VEHICLES

BUILDERS & TRADE ALLIES

FOODSERVICE EQUIPMENT REBATES

CenterPoint Energy's rebate program now makes purchasing natural gas equipment more affordable.

Delivering the best possible food quality is important for any foodservice operation. The excellent results and lower operating costs of high-efficiency natural gas equipment make it the preferred choice of foodservice operators everywhere by a wide margin.

Qualifying equipment


Equipment	Rebate
Broilers (Infrared, upright)	\$600 per unit
Charbroilers (Infrared)	\$300 per unit
Comb ovens	\$1,000 per unit
Convection ovens	\$500 per unit
Conveyor ovens	\$750 per unit
Fryers (≥ 50% energy-efficiency or Infrared)	\$250 per unit
Rotating rack ovens	\$600 per unit
Rotisserie ovens (Infrared)	\$500 per unit
Salamander broilers (Infrared)	\$150 per unit
Pasta cooker	\$200 per unit

Program basics

Rebates are awarded on a first-come, first-serve basis until funds are depleted. Rebate program funds are budgeted on an annual basis. Rebate amounts and availability are subject to approval by the Arkansas Public Service Commission.

Three easy steps to receive a rebate

- Purchase and install qualifying new natural gas equipment at a location with natural gas service from CenterPoint Energy in Arkansas or the Texas communities of Texarkana, Nash, Redwater and Wake Village.
- Complete the [rebate form](#) with your contractor or installer.




NATURAL GAS HELPS YOU SAVE A LITTLE GREEN

Now saving money and the environment go hand in hand. Rebates from CenterPoint Energy make it easy for you to enjoy the savings, comfort and environmental benefits of clean-burning natural gas.

CenterPoint Energy rebate offerings include:

- Heating systems** – Rebates up to **\$300** for qualifying natural gas heating systems
- Water heaters** – Rebates up to **\$250** for qualifying natural gas tankless and storage tank water heaters

To learn more about the 2010 rebate programs, visit: CenterPointEnergy.com/arkansasrebates or contact us at ArkansasEfficiency@CenterPointEnergy.com.



Always There.®

Web Banners:



BOOST YOUR BOTTOM LINE WITH NEW REBATES FROM CENTERPOINT ENERGY

ROLL OVER FOR MORE INFORMATION



Always There.®



Samples of CenterPoint Energy Education Program publication:

NATURAL GAS HOME HEATING SYSTEMS

AFUE – Annual Fuel Utilization Efficiency

The Federal Energy Agency requires all furnaces be given an Annual Fuel Utilization Efficiency (AFUE) rating. The AFUE tells how much heat the system extracts from the fuel it burns during a single heating season. The higher the AFUE, the more efficient the equipment. The minimum efficiency standard for new furnaces is 78 percent AFUE.

A high efficiency furnace has special features which raise the AFUE. These may include an electronic ignition, a power draft system, an improved burner, a vent damper, variable speed blower motors, high efficiency heat exchangers, and secondary heat exchangers in the highest efficiency models.

Your heating system is one of the largest energy users in your home, so choosing an energy efficient unit is especially important. When shopping for a new natural gas heating system, compare efficiencies and installation costs of various models. Most homes have central heating systems which generate heat at a central point and distribute it by air to each room in the house. Furnaces, or warm air heating systems, supply heat to an air transfer system.

How a furnace works: the basics

Gravity

Heated air rises from the furnace through large supply ducts. Cool air returns to the furnace through cold air return ducts. The weight difference between warm and cool air keeps the air circulating.

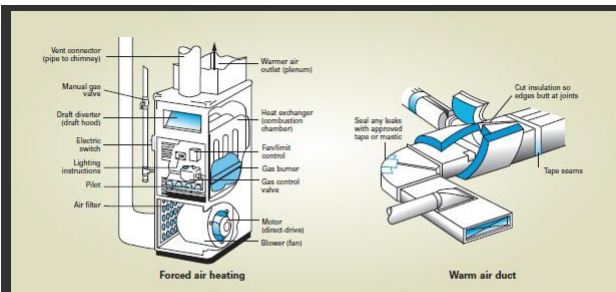
Forced air

Warm air is forced through supply ducts by a blower. It enters a room through registers or diffusers, then returns via a cold air duct to the furnace where it is filtered of dust and dirt particles, reheated and recirculated.

Tips on ducts

Warm air ducts and cold air returns that pass through cold areas (such as an unheated basement, crawl space, attic, garage or unheated areas of your home) must be insulated. Before you insulate ducts, use duct tape to repair any holes or cracks in seams.

See illustrations inside.



Types of natural gas heating systems

Atmospherically vented furnaces

This type of furnace has atmospheric gas burners and a gravity venting system. Some also use a vent damper, which closes when the furnace shuts off so less heat escapes up the chimney.

Condensing furnaces

An enlarged heat exchanger surface lowers the temperature of the exhaust gases, making this furnace more efficient. The exhaust gas temperature drops to the dew point of the water vapor in the gas, causing the vapor to condense to water and release 970 Btus per pound of water condensed. Natural gas can yield more than 1 gallon (8 lbs) of water per 100,000 Btus (one therm) burned, giving up about 7,700 Btus. Condensing furnaces achieve AFUEs up to 96 percent.

Recuperative or partially condensing furnace

A recuperative heat exchanger section is added to the conventional heat exchanger and the exhaust gases are vented to the outdoors by a small fan. A conventional chimney is not necessary. Some units require a vertical vent; others can be vented through a sidewall. Formerly lost heat is captured

in the recuperative heat exchanger. Some water vapor in flue gases is condensed, allowing additional heat to be released for use. The water is disposed of by a condensate drain. Loss of heated air when the furnace is not operating is reduced by restriction through the forced draft fan. This type of system achieves an AFUE of 81 to 88 percent.

Power draft furnaces

While a conventional furnace draws air into the combustion chamber by natural draft, power draft furnaces use a motor-driven fan to push (forced draft) or pull (induced draft) air into the combustion chamber. Some forced draft and induced draft furnaces allow for a Type B vent or metal-lined chimney and can be from 80 to 88 percent efficient (see illustration).

Care of your heating system

- Home heating systems need periodic care to extend operating life, save energy and increase efficiency. Follow manufacturer's recommendations.
- Cleaning or adjusting natural gas burners should be done by a qualified service person. If your heating system is not working properly, contact a professional.

The following conditions indicate the system could be operating inefficiently or unsafely:

- Soot and carbon deposits on the burner, in the combustion chamber, on the floor near the furnace/boiler or below the draft hood opening.
- Buildup of dust, dirt or scale on burners and/or burner components.
- A yellow flame rather than a blue flame.
- Flame backing up and burning outside the combustion chamber.
- Excessive humidity or frost on windows or walls.
- Noise or eye irritation, headaches or lightheadedness.
- Visually inspect chimney and vent connector (the pipe between the furnace or boiler and the chimney) for rust holes or corrosion which may allow hazardous flue products to enter your home. Replace any defective vent connector or chimney.
- Maintain blowers, motors and filters. Before working on your heating system, turn off the electric power to the furnace. Some pump and fan motors require periodic oiling but some are permanently lubricated. See manufacturer's instructions on oiling. If instructions are unavailable, look for a tube or hole on both ends of the

motor, directly above the motor shaft. Oil twice during the heating season, using non-detergent #20 oil, two or three drops per location. Do not over-lubricate; too much oil will soak into the motor's insulation and shorten its life.

- Blower blades require occasional cleaning; dust and dirt reduce their air capacity, causing overheating of fan motor and heat exchanger, and fuel waste. To do this, remove the blower assembly from the furnace and use a brush to clean the blades. Be careful not to bend the blades or remove small clips attached to them. These clips are balance weights that ensure vibration-free operation.
- If you have a belt-driven forced air furnace, check the V-belt that connects the motor and blower pulley and replace if worn or cracked.

- Check filters monthly and replace or clean when dirty to prevent damage to blower or fan motor and maintain efficiency.

Controls

- The main gas valve turns the burner on and off. It is electrically controlled by the room thermostat, pilot safety device and the maximum temperature limit control.
- The limit control keeps your heating unit from overheating.

Using energy wisely

- Check registers. Look for and correct the following:

- Closed supply dampers.
- Drapes, furniture or carpet obstructing the supply and/or return registers or grilles.
- Leaks in warm air ducts and cold air returns.
- Dust plugging the supply and/or return registers or grilles.
- High pile carpet blocking the bottom of baseboard registers.
- Piles of clothes, towels, etc., that block heat or air flow.

- Lower your thermostat at night and when there will be no one home for at least 4 hours; a 10° setback can give you significant savings. "Smart" thermostats save energy by automatically turning the thermostat down and up on a preset schedule.

- In recent years, a number of "energy-saving devices" (retrofit devices) have been developed for heating systems. The cost effectiveness of a retrofit device depends primarily on the age and condition of your heating system. Generally, older systems have fewer operating years remaining, so retrofit devices will be less cost-effective. Before considering any retrofit device, check with your local building inspector to see if it complies with code. It should be approved by CSA America or Underwriters Laboratories.

Safety

- Keep furnace area clear of flammable liquids (gasoline, paint products, solvents or cleaners) and all combustible materials (newspaper, cardboard boxes or rags).
- Furnaces run longer during very cold weather to maintain the thermostat setting, so duct and register surfaces may be hot. Keep children away.
- If the pilot goes out, look for relighting instructions printed on the furnace. If it goes out repeatedly, call a qualified heating contractor.
- All fuel-burning appliances need sufficient air for proper combustion. If a natural gas, oil, coal, kerosene or wood heating appliance does not receive adequate intake air, it will not burn the fuel completely and may operate inefficiently. Under certain conditions, carbon monoxide could be produced and enter the home if the chimney or vent connector is defective or adequate combustion air is not supplied.
- Provide sufficient ventilation to your fireplace when using an open-hearth fireplace by opening a nearby window or adding a fresh air intake to the fireplace.



Common furnace terms

Automatic vent damper: A device attached in the venting system after the draft hood. Automatically closes the vent when the furnace or boiler is off, keeping heated air from going up the chimney.

Intermittent Ignition Device (IID)/Electronic Ignition: Uses a spark or other heat source to ignite the pilot when the thermostat calls for heat. Replaces a continuously burning pilot flame.

Heat exchanger: A section of the furnace where heat generated by the combustion process is transferred to circulating air or water.

Flue gases: The products of combustion (carbon dioxide and water vapor) which are vented to the outdoors.

Crawl spaces

Unconditioned crawl space
Crawl spaces require insulation, ventilation and vapor barriers. In unconditioned crawl spaces, one vapor barrier covers the ground and another covers the area between the insulation and subfloor. The insulation is installed between the floor joists.

Conditioned crawl space
If a conditioned crawl space is desired, a vapor barrier covers the ground in the same way as in the unconditioned crawl space. Insulation is applied to the rim joist, down the wall and onto the floor, so a vapor barrier should also be installed to cover the insulation. In all cases, be sure to insulate water and drain pipes and heat ducts in the crawl space.

Foundation vent
If the crawl space opens into a conditioned basement or cellar, it should be vented to the outside (one square foot of vent for every 1,000 square feet of floor area) with vents placed on opposite walls for cross ventilation. These foundation vents can be closed and sealed in winter and opened in warm weather.

INSULATION AND VENTILATION FACTS AND TIPS

Almost every homeowner can save both energy and money by adding insulation. The payback period varies with the type of insulation materials, purchase and installation costs, and the price of fuel.

Good insulation is permanent, maintenance-free and can return your investment by lowering your fuel bills. The basic function of insulation is to resist the flow of heat. This is expressed as an "R" value; the higher the "R" value, the more resistance to heat flow. Insulation materials have different "R" values, so buy insulation according to the "R" value you wish to attain, not by total inches.

Types of insulation

There are several types of insulation with various "R" values and prices. Some are easy to install yourself; others may require a contractor or special equipment. Whichever type of insulation you buy, be sure it meets federal standards for fire and vermin resistance. Check for approval codes listed on the packaging.

Insulating material	"R" value per inch
Batt & blanket	
Mineral wool	R-3.15 to 3.85
Fiberglass	R-3.15 to 3.85
Loose fill (pour in)	
Mineral wool	R-2.88 to 3.31
Fiberglass	R-2.88 to 3.31
Cellulose fiber	R-3.70
Vermiculite (expanded)	R-2.15 to 2.27
Perlite (expanded)	R-2.70
Rigid insulation	
Extruded polystyrene (Styrofoam)™	R-5.00
Expanded polystyrene (Beadboard)	R-3.57
Expanded polyurethane (Foam)	R-6.25
Fiberglass (Rigid board)	R-5.00

NOTE: To assure fire safety, rigid insulation should be covered with 1/2" gypsum wallboard when installed.

For more information about efficient natural gas appliances, visit CenterPointEnergy.com

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50

Where to install

The diagram at right explains which places in your home need insulation. An unconditioned space is an area with no heating or air conditioning; a conditioned space is heated in winter and cooled in summer.

It's important you remember to:

- Add insulation to your attic door.
- Wrap insulation around heating and air conditioning ducts which pass through unconditioned spaces.
- Wrap hot water pipes with insulated pipe wrap.
- Add insulation to foundation wall.
- Seal bypass areas.

Installing insulation

- Do not block soffit vents with insulation.
- Provide a 2" clearance around heat-producing fixtures such as recessed ceiling lights.
- For your safety, watch for nails that stick through the roof sheathing above your head. Wear work gloves, loose-fitting clothing and a long-sleeved shirt to avoid skin irritation; wear a mask to prevent inhaling insulation particles.

Where to insulate a home	How much
1. Ceilings with unconditioned spaces above	R-38 to R-50
2. "Knee" walls of a finished or conditioned attic	R-22
3. Exterior walls or walls between conditioned and unconditioned spaces	R-13 to R-16 (New construction)
4. Floors over unconditioned or outside spaces	R-19
5. Slab insulation	R-4 or greater
6. Top of foundation (rim joist or band joist)	Fill with fiberglass batts
7. Vaulted or cathedral ceilings	R-22

Vapor barriers

Humidity and moisture that collect in insulated areas can cause problems. Therefore, vapor barriers should be placed between insulation and the conditioned space. Durable vapor barriers can be found on some blanket insulations.

Where no vapor barrier is attached, a separate vapor barrier made of one of the following materials works well:

- Polyethylene film
- Paper-backed aluminum
- Laminated papers consisting of a continuous sheet of asphalt between two sheets of paper
- Surface-coated, asphalt-saturated building paper

When creating vapor barriers:

- Do not add vapor barrier-faced insulation over existing insulation. If unfaced batts are not available, slash or strip vapor barrier from batts before installing.
- Replace vapor barriers damaged during installation or repair with mending tapes.
- In existing houses where vapor barriers are impossible to install, moisture protection may be obtained by painting interior walls and ceilings with vapor-resistant paint. Follow manufacturer's instructions for applications.

Ventilation

Vents are openings in the attic area that allow moisture to escape. If you don't ventilate properly, water vapor can condense and collect on insulation and rafters. This will reduce the effectiveness of the insulation and could damage the house. Also, without ventilation, attic heat could penetrate into living areas during summer.

Where to ventilate and how much

How much ventilation you need is determined by the area of your attic; normally one square foot of vent is needed for every 300 square feet of attic area. If you do not have a vapor barrier in this area, the amount of ventilation could be doubled (up to one square foot of vent for every 150 square feet of attic area). Keep in mind that screens and louvers on vents reduce venting capacity, so openings must be increased proportionately. Use a combination of vents; half located low on the roof and half higher up, so air can flow in one and out the other. For example, use soffit and ridge vents.

Install baffle boards as necessary to prevent insulation from blocking air flow and keep vent screens clean.

Power ventilation

Natural ventilation is usually sufficient. Using electrically powered vents is optional. Power vents require additional attic ventilators and they may interfere with proper furnace and fireplace venting. Be sure you choose the correct size power vent to handle the area.

Bypasses

Sealing bypasses is an important step in weatherizing your home. A bypass is any hole, crack or crevice that allows conditioned air to leak through your home's insulation. Bypasses are found in interior and exterior walls, around vent pipes, recessed light fixtures, plumbing and electrical wire passages, and chimneys. Seal bypasses before insulating. If your attic is already insulated or floored, you may have to remove insulation or floor boards to plug the bypasses. If bypasses are not sealed, insulation only "traps" the warm air on its way to the attic, so your roof will still be warm and ice dams may develop.

Sealing bypasses

Techniques for sealing bypasses depend on the size and accessibility of the openings. Regular caulk can be used for small holes. Holes too large or deep for regular caulk can be sealed with foam caulk or void filler. Open wall cavities and other large openings can be sealed with pieces of rigid material cut to fit and caulked into place, or stuffed with highly rolled unfaced fiberglass insulation.